# Daily Report

# East Europe

FBIS-EEU-93-092
Friday
14 May 1993

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*FBIS-EEU-93-092* *14 May 1993*

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## SDS Supporters, Police Clash at Rally

*AU1305204493 Sofia BTA in English 2020 GMT 13 May 93*

[Excerpts] Sofia, May 13 (BTA)—Police and supporters of the Union of Democratic Forces (SDS) clashed in front of parliament building today before the start of a SDS protest rally. Eyewitnesses say that during the incident, policemen hit with a baton Mr. Stefan Savov MP, 69, the SDS floor leader. [passage omitted]

Mr. Savov himself said that he had been brought down twice and beaten with batons by policemen. In his opinion, this was not accidental because the policemen knew whom they were beating.

Several hours later, the Interior Ministry and the Government Press Office released an official announcement on the case, saying that the intervention was provoked by members of the public who had tried to enter the security area around parliament. Acting in line of duty, the police used force to push back the trespassers and restore normal order around the building, the press release says, stressing that "the policemen acted exclusively within the law." Police assured the public that they were in possession of a genuine video recording of the incident which will be aired on national television tomorrow.

Today's incident had repercussions in parliament, too, where SDS deputy floor leader Nikolay Khristov read a protest over Mr. Savov's beating on behalf of the union's faction. "We realized that Prime Minister Lyuben Berov's statement last night that possible riots will meet with resistance implied the use of physical force against MP's," Mr. Khristov said. Last night Prof. Berov warned in a televised statement that in case rioting was provoked, the police would perform their duty to maintain public order. In protest, the SDS MP's walked out of parliament's sitting today.

Mr. Miroslav Durmov MP of the coalition led by the Bulgarian Socialist (ex-Communist) Party told parliament that he had witnessed the incident. In his view, what happened was "a preplanned provocation" and the supporters had been instructed in advance by the SDS leadership to pull down the crowd control barriers around parliament building.

After the incident, the plenary sitting was discontinued.

Later on, all speakers who addressed the SDS rally lashed out against the cabinet and against Prime Minister Lyuben Berov in person. He was labelled as "a servant of many masters, serving different interests," "an expiring old man," and "a coward." SDS deputy floor leader Zlatka Ruseva accused Bulgarian President Zhelyu Zhelev of having declared war on his own people. "The prime minister, too, has declared war on the people," she added, emphasizing that the parliamentary SDS should demand the cabinet's resignation.

The speakers at the rally declared themselves in favour of early parliamentary elections. The SDS will take advantage of any situation and of all means within the law to provoke elections before the end of this year, SDS leader Filip Dimitrov said today, addressing the union's faithful from Sofia and a number of cities across the country who thronged in St. Aleksandur Nevski Square today.

SDS declared May 13 a "day of discontent with the restoration of communism." The keynote of the rally ran as follows: "Berov is against Bulgaria, but Bulgaria, too, is against Berov. We say 'yes' to early parliamentary elections, which will be our final farewell to communism. We say 'no' to the barren parliament, to the puppet cabinet, to the criminal budget which will reduce this country to beggary." [passage omitted]

Prior to the meeting, mayors elected on the SDS ticket signed a declaration against the 1993 national budget which was passed on first reading. They insisted on seeing the prime minister. The government told them that only ten mayors would be received. For their part, the mayors said that if Prime Minister Berov was not present at the meeting, they would walk out. The cabinet did not answer to this, and the mayors headed for the square where the rally was held.

After the rally, the protestors marched in a procession across central Sofia to the National Palace of Culture, in front of which a concert was held.

## Yordanov Blames Police, Berov

*AU1405093793 Sofia BTA in English 2032 GMT 13 May 93*

[Text] Sofia, May 13 (BTA)—National Assembly Chairman Aleksandur Yordanov went on national television this evening to take strong exception to the police actions in front of parliament building today. He also voiced "alarm and concern" over last night's statement by Prime Minister Lyuben Berov, saying that it contained "phrases and concepts dating to the time when people had to be intimidated."

Last night the head of government pointed out that the rally which the Union of Democratic Forces (SDS) called for today was intended to cause rioting and that the law enforcement authorities would take measures to prevent it. Mr. Yordanov said that Bulgarian statesmen should refrain from "imprecise and controversial statements." He emphasized repeatedly that the SDS had held rallies near parliament building on other occasions as well and that "demands for early elections and resignations are part of the values of democracy, and no one has the right to impose any dictates on these values."

In his statement, Mr. Yordanov pointed out that the heightened presence of the law enforcement authorities in front of parliament building, of which its head had not been notified, led to mounting tensions. "Under the circumstances, the excessive security led to insecurity for one national representative," Mr. Yordanov said, referring to SDS floor leader Stefan Savov, who was beaten by

the police today. Mr. Yordanov said he had requested a full video recording of today's incident to be submitted to the National Assembly Standing Committee on Radio and Television tomorrow.

### Berov Takes Precautions After Bomb Found

*AU1305202893 Sofia PODKREPA in Bulgarian 10 May 93 p 1*

[Khristo Kazashki report from Plovdiv; no date given]

[Excerpts] An explosive device was defused in Pavilion No. 3 of the Plovdiv Fair Complex two days before the official opening of the Spring Fair. For this reason, special security measures were taken when Prime Minister Lyuben Berov and his party arrived at the fair for the official opening ceremony on 3 May. Journalists were kept far away from the prime minister's entourage, and Prime Minister Berov himself used a side entrance to enter the Plovdiv Hall of Pavilion No. 8.

Representatives of the regional police headquarters in Plovdiv announced the bomb incident. [passage omitted]

At 1130 [0930 GMT] on 9 May an anonymous caller again issued a warning that an explosive device had been placed in Pavilion No. 3. Special units sealed off the area, and fire engines arrived.

### Environment Minister Returns From Romania

*AU1305070593 Sofia BTA in English 1803 GMT 12 May 93*

[Text] Sofia, May 12 (BTA)—Minister of the Environment Valentin Bosevski today returned from a working visit to Romania, where he discussed the ecological situation in the Danubian region and the implementation of the bilateral convention on environmental protection signed and ratified by the two parliaments.

The officials determined the status of the intergovernmental commission on the convention's implementation.

The sides agreed to work out common regional standards and harmonize the national standards of transboundary pollution.

The sides agreed to set up joint expert teams to make technology assessments. The experts will have free access to chemical works and technological lines. The Romanian side will grant the Bulgarian experts access to projects to build waste treatment facilities at the plants in Turnu Magurele, Giurgiu, and Calarasi. The Romanian Ministry of Water Economy, Forestry and Environmental Protection agreed to let Bulgarian regional environmental inspectors into neigbouring regions on the Romanian territory.

Mr. Bosevski suggested that the Bulgarian and Romanian Environment Ministries move for ratification in the two parliaments of the 1979 bilateral convention on transboundary pollution and the 1991 convention on transboundary impact on the environment.

### Karabashev, G-24 Delegation Discuss Economy

*AU1305141193 Sofia BTA in English 0813 GMT 13 May 93*

[Text] Brussels, May 13 (BTA)—At a meeting here today, a Bulgarian delegation led by Deputy Prime Minister Valentin Karabashev and a consultative group formed by the G-24 countries and international financial institutions noted the progress of the democratic, economic, and political reforms in Bulgaria after the 1991 elections. They also stressed that the second half of 1992 saw setbacks in economic reform and privatization, the highest percentage of joblessness in eastern Europe, heavy foreign and bad corporate debt burdens, a slow land restitution and a failure to pass major laws on tax reform and bankruptcy.

Finance Minister Stoyan Aleksandrov familiarized the officials with the country's economic and political condition, analysing Bulgaria's capacities and pointing to areas where it will need help. He said the national budget will be passed by the end of May. Land restitution and privatization are going on and the tax laws and a law on bankruptcy have been entered at the National Assembly. The minister hopes Bulgaria will sign an arrangement with the International Monetary Fund and make progress at the talks with the London Club (of commercial creditor banks). Other officials discussed opportunities for rendering technical assistance, government guarantees for loans to Bulgaria, financial support for the balance of payments and the opening of EC borders to Bulgarian exports. They also discussed the losses Bulgaria is taking as a result of the implementation of UN Security Council Resolution 820, described as a brave step by the Bulgarian Government.

In his expose, the German representative called on the IMF, the World Bank, and the London Club to take into account the difficult situation Bulgaria is in as result of the embargo on the former Yugoslavia. It was stressed that the G-24 should render urgent help to Bulgaria, to prevent placing the Bulgarian economy on the brink of collapse and forcing the country to lift the embargo.

The World Bank familiarized the participants with a report saying that Bulgaria should speed up privatization and land reform, a large part of the bad corporate debt should be transformed into public, the banking reform should be completed, and major economic laws passed. It stressed the need to expand exports and seek opportunities to repay the debt to the Paris Club (of creditor governments). The World Bank noted opportunities to help finance commercial banks.

IMF representative Russel Kincaid called on the government to speed the drawing-up of "the White Paper," as the poorest people are excluded from the social safety net. Bulgaria should settle the issue of bad debts and

reach an agreement with the London Club, which would open up prospects for a long-term involvement of the fund with Bulgaria. In his presentation, Mr. Karabashev stressed that all these issues are important to Bulgaria and the government has already made the first steps: The first major privatization deal has been completed, land reform is picking up speed. He denied the government intended to privatize money-losing companies only. According to him, the government is ready to prepare any Bulgarian enterprise for privatization within the shortest term possible, if there are good buyers. The talks continue tomorrow.

Deputy Prime Minister Neycho Neev yesterday met with the deputy secretary-general of the European Conference of Ministers of Transport, Jacques Short. The officials said the meeting was held regarding Bulgaria's joining the conference and with a view to a quick integration into the European transport system. Mr. Neev discussed difficulties ensuing from the sanctions against Yugoslavia and said the ministers of transport could help Bulgaria by easing tolls.

### Bulgarian-Danish Commission Signs Protocol

*AU1305142193 Sofia BTA in English 1339 GMT 13 May 93*

[Text] Sofia, May 13 (BTA)—A coordinated protocol on economic consultations of the mixed Bulgarian-Danish Commission on Economic, Industrial and Technological Cooperation was signed here today by the co-chairmen of the commission, Mr. Arne Christiansen of Denmark and Mr. Georgi Tanev, Bulgaria's minister of agriculture. The document sets three priorities of interrelations: agriculture and food-processing, environmental protection, and medicine.

Denmark will continue to export to Bulgaria breeding animals, dairy-processing equipment, powdered milk and baby food, said the head of the Danish delegation Mr. Arne Christiansen. His country will offer Bulgaria coal pollution prevention facilities for use at thermoelectric power stations. The document envisages training of Bulgarian experts in local government.

Mr. Christiansen said that the Democracy Danish Government Fund, intended for the countries of central and eastern Europe and the third world, has financed ten Bulgarian projects so far.

The Danish delegation is visiting here for the Danish Days in Sofia.

### Agency Denationalizes First Large Enterprise

*AU1205184093 Sofia BTA in English 1545 GMT 12 May 93*

[Text] Sofia, May 12 (BTA)—Representatives of the Belgian Amylum Company, the executive director of the Privatization Agency and bankers of the United Bulgarian Bank concluded the first major privatization deal today. The "Maize Products" enterprise in the town of Razgrad (northeastern Bulgaria) was denationalized.

After the registration of the new company in court it will be transformed from a limited liability company into a joint stock company in which Amylum will hold 80 percent of the shares and the United Bulgarian Bank the remaining shares.

This is the first major deal of the privatization programme of the Privatization Agency (with the Council of Ministers). The programme provides for the privatization of 218 major enterprises by the end of this year. Some of the auctions held so far by the Ministry of Trade failed, and only a car service station has been sold. That is why the work of the Privatization Agency was assessed as unsatisfactory and last week the government replaced half of the members of its Supervisory Board. On the proposal of Prime Minister Lyuben Berov, late last week the government started discussing a new privatization scheme with privatization bills which differs from the provisions of the Privatization Act.

## Klaus Wants Another Stage in EC Admission

*AU1305113293 Prague CTK in English 1851 GMT 11 May 93*

[Text] Prague, May 11 (CTK)—Czech Prime Minister Vaclav Klaus would like to see the Czech Republic's association with the European Community (EC) to be followed by another move before the country becomes an EC fully-fledged member.

Speaking on Czech radio tonight, he said that something between the association agreement and full membership must be invented and called for a non-standard procedure to be applied in admitting the Czech Republic to the EC.

He said the time span between the signature of the association agreement and full membership is too long and if nothing happened in between, we would feel frustrated, he stressed.

Klaus said that a similar procedure has also been supported by German Chancellor Helmut Kohl, Spanish Prime Minister Felipe Gonzalez and some other leading West European politicians.

Talks on the Czech Republic's association have not yet been completed, but it is hoped that they might end later this month.

The former Czechoslovak federation signed an association agreement in December 1991, but the successor states, the Czech and Slovak Republics, have to renegotiate separately the agreement.

He said that his speech at a conference organized in Barcelona today by the British weekly THE ECONOMIST was received very positively by the business audience.

In the speech Klaus criticized the EC countries' relation to the postcommunist countries, especially their protectionism and reluctance to open their markets to goods from Central and Eastern Europe.

Klaus today ends a three-day official visit to Spain.

## Discusses Types of Democracy

*AU1305114793 Prague TELEGRAF in Czech 12 May 93 p 1*

[Interview with Prime Minister Vaclav Klaus by Viktor Krejci in the "One TELEGRAF Question a Week for Prime Minister Vaclav Klaus" column; place and date not given: "Europe Has Not Yet Won the Struggle Against Communist Ideology"]

[Text] [Krejci] Mr. Prime Minister, could you comment on the relationship between direct and indirect democracy? Many people have the feeling that in indirect, parliamentary democracy they cannot influence anything, and everything is decided over their heads.

[Klaus] The relationship between direct and indirect democracy is absolutely identical with that between central planning and market economy. In a small and clearly arranged environment such as a rural community, for example, where all residents meet and decide to dig a village pond or erect a building to house the fire brigade, it is possible to implement direct democracy. In the same way, it is possible to apply central planning or non-market decisions in a small and clearly arranged place that is easy to overlook. In a normal, advanced, diverse, and complex society, however, direct democracy is absolute nonsense, just like central planning.

Every society contains a combination of both types of democracy and nowhere in the world was, is, or will there ever be a country serving as a 100 percent example of either direct or indirect democracy. In our country, it is quite evident that the scope for direct democracy is strictly defined and restricted to a few small and simple matters. These exceptions apart, we base everything on the system of indirect democracy and the market. Viewed from this perspective, the current endeavor of opposition parties to disrupt the entire parliamentary system and to deny it by calling for socialist direct democracy represents a quite transparent policy. This endeavor results from their failure to acquire a majority in an indirect parliamentary democracy.

The model of referendums, which is beginning to gain ground in the world, is also connected with this problem. I see referendums, on the one hand, as the enforcement of centralist stances because direct democracy has almost nothing in common with democracy but, rather, with lack of democracy and with the rule of a handful of people over a country. In this respect Europe has not yet won its struggle against the pernicious socialist and communist ideology, even though the situation is now better than in the other decades of this century.

Another reason leading to the organizing of referendums is politicians' lack of courage and a certain cowardly inability to decide. Many politicians find it easier to hide behind a decision arrived at by a referendum. In my opinion, however, these politicians are actually dodging responsibility.

## Comments on Property Division

*LD1305174093 Prague CTK in English 1512 GMT 13 May 93*

[Text] Prague, May 13 (CTK)—The Czech Government's decision on Wednesday to hand over shares in Czech enterprises to Slovak investors contributed to calming the atmosphere, Czech premier Vaclav Klaus told a press conference today.

The cabinet agreed not to make a political question out of its decision, and therefore it would not disclose its individual members' stands during the decisive voting, Klaus stressed.

The handing over the shares was suspended by the Czech cabinet on March 17 due to some unsettled questions concerning the division of the former Czechoslovak property between the federation's two successor states.

Klaus said that the Slovak Government had not yet responded to the Czech Government's suggestion of adding an ennumerative list of points to be or not to be discussed, to the Czech-Slovak general agreement on federal property division.

Referring to Vaclav Havel's first 100 days as Czech president, Klaus said that functional relations have been created between the Czech government and the president.

The situation at Prague's town hall, where Mayor Milan Kondr has been recently fired and a new mayor is to be elected today, symbolises all what we have succeeded not to do in the Czech Republic, Klaus underlined. The town hall is a symbol of unstability, unrest, political non-distinctiveness...dispersion of the political spectre, Klaus said.

Asked if early communal elections might be called, Klaus answered that he did not favour pushing them through too speedily.

### Kuwaiti Minister Thanks Havel for Support

*LD1305132593 Prague CTK in English 1238 GMT 13 May 93*

[Text] Prague, May 13 (CTK)—[Kuwaiti Minister of Communications] Habib Jawar Hayat, the personal emissary of the amir of Kuwait, visited Czech President Vaclav Havel at Prague castle today to express thanks to the Czech Republic for its support of Kuwait in its conflict with Iraq, Havel's spokesman Ladislav Spacek told CTK.

Hayat also briefed Havel on problems Iraq has caused Kuwait through its failure to maintain and fulfil UN Security Council resolutions, Spacek said. Iraq must fully recognise Kuwait and its borders, return property removed during the Iraqi occupation, and release 600 Kuwaiti citizens held hostage in Iraq, about whom Iraq has refused to give any information, Hayat said. He told Havel that Iraq has also refused to provide compensation for damages which it caused in Kuwait.

Spacek said that Havel assured Hayat of the Czech Republic's support for the efforts of the global community to hold Iraq to the UN resolutions. He acknowledged the Czech Republic's share of responsibility to preserve peace in the world, which, he said, was documented by the participation of a Czechoslovak unit in the military operations in the Persian Gulf.

### Meets With Minister Zieleniec

*LD1305185593 Prague CTK in English 1608 GMT 13 May 93*

[Text] Prague, May 13 (CTK)—Czech Foreign Minister Josef Zieleniec and the personal envoy of the Kuwaiti amir and minister of communications, Habib Jawar Hayat, declared the will to develop political and economic relations between their countries in a meeting here today.

Zieleniec expressed the Czech Republic's support for Kuwait's just demands that all the United Nations Security Council's resolutions concerning Kuwait be fulfilled.

Later in the day the Kuwaiti minister met with Czech Minister of Transport Jan Strasky.

### Jan Koukal Elected as New Prague Mayor

*LD1305170693 Prague Radiozurnal Radio Network in Czech 1500 GMT 13 May 93*

[Text] Prague's governing body elected Jan Koukal as mayor of Prague. Fifty-one out of the sixty-nine councillors present voted in favor of his appointment. In compliance with the wish of the governing body, Mayor Koukal will take up his office today. Pavel Holba of the Prague Deputies Union, Tomas Kaiser of the Club of Independent Deputies, and Vladimir Riha of the Czechoslovak People's Party were elected as the mayor's deputies. Jan Koukal, who was proposed for the post of Prague mayor by the Civic Democratic Party club, is a graduate of the faculty of mathematics and physics of Charles University. He is employed as a researcher at the Physical Institute of the Academy of Sciences. Koukal has been a member of the Prague governing body since the 1990 elections. Until the division of the Civic Forum, he was chairman of the Civic Forum club in the Prague governing body.

### Meciar Views Radio, Television Merger

*LD1205211093 Bratislava STV 1 Television Network in Slovak 1730 GMT 12 May 93*

[Excerpts] The Highest Inspection Office and the National Bank of Slovakia are important from the view point of the state's ability to function as one entity. At a meeting with correspondents today, Vladimir Meciar, chairman of the Movement for a Democratic Slovakia [HZDS], went on to say that filling the post of the governor of the National Bank of Slovakia is an important signal for abroad. Therefore the selection of the governor and the vice governor should not be politically motivated. Responding to a question concerning cooperation between the HZDS and the Slovak National Party, Vladimir Meciar said that he had long been aware of the ambition of the Slovak National Party chairman.

[Begin Meciar recording] Should it happen that these personal ambitions would be elevated above Slovakia's interest—and such things are not uncommon nowadays—why then should they enjoy our support? What would be the sense of it? It would not be support for a party. It would be support for a coalition of persons. I always despised this because the state should not belong to the people—here I have in mind members of political parties—and it should not belong to parties either. The state should be to a certain extent independent of them. [end recording]

Vladimir Meciar considers the relationship with the Party of the Democratic Left open. The HZDS chairman spoke also about the bill on merging Slovak Television and Slovak Radio, which is being prepared. He said, among other things.

[Begin Meciar recording] It is in essence an attempt to create a model which would correspond to the situation in Austria, Italy, and Britain, where radio and television broadcasting have been merged. [passage omitted]

This plan should produce a reduction of the bureucratic apparatus and boost the information flow efficiency. [passage omitted]

Today we find ourselves in the situation where directors of these establishments are screaming that it is (?the state authority which is after these establishments). These establishments are not at all at issue. It is not at all the case. Radio and television will go on existing, they will go on broadcasting, too. What is at issue is the change of conditions of organizations and their internal functioning. We cannot watch idly and endlessly the development within these establishments. We cannot fail to observe the protests of television staff. These protests are very clear-cut and very radical. We cannot fail to take into account the results of checks in the television. [passage omitted] [end recording]

### National Party Welcomes Czech Share Division

*LD1305131393 Prague CTK in English 1236 GMT 13 May 93*

[Text] Bratislava May 13 (CTK)—Slovak National Party (SNS) Chairman Ludovit Cernak told a press conference today that his party welcomed the Czech Government's decision Wednesday to release shares in Czech companies to Slovak investors who acquired them during last year's first wave of coupon privatisation.

Cernak said the decision would contribute to improving bilateral ties, adding that the SNS sought to maintain strong economic and cultural cooperation with Prague.

Cernak jusitified his party's withdrawal from the government, saying the ruling Movement for a Democratic Slovakia (HZDS) would soon have to define its relation to the opposition or potential coalition partners. Cernak said he envisaged three scenarios: a HZDS coalition with the Democratic Left Party (SDL), a broad government coalition, or new elections.

He said the SNS would back a broad coalition, which would have to include Hungarian parties. Cernak added that Slovak Premier and HZDS Chairman Vladimir Meciar would have to decide whether to participate in such a coalition. The SNS is not considering asking for his resignation, Cernak said.

The SNS chairman forecast domestic turmoil if the government did not immediately begin to take practical steps to stabilise the economy. SNS Deputy Chairman Peter Sokol said the government was not sticking to its programme, pointing to its call for a two-month postponement in the redrawing of administrative boundaries within the republic.

### Tatarstan President Meets With Gonz, Antall

*LD1205202493 Budapest MTI in English 1924 GMT 12 May 93*

[Text] Budapest, May 12 (MTI)—Wrapping up his two-day visit to Hungary at a news conference in Budapest this evening, Tatarstan President Mintimer Saymiyev described his talks on improving cooperation as successful.

His discussions with President Arpad Goncz and Prime Minister Jozsef Antall indicated further opportunities in developing relations which started two years ago.

Tatarstan intends to strengthen ties with the neighbouring countries via Hungary. A direct railway link and the existing pipelines promise a twofold increase in mutual trade this year. Hungary can draw on Tatarstan in meeting much of its energy needs. Cultural relations have also improved, as can be witnessed by scientists working together to uncover the early history of the two peoples.

The foundation on Tuesday of a Hungarian-Tatar friendship society and the forthcoming cooperation agreement between scientific academies are also expected to promote relations between the two countries.

### Jeszenszky Signs Data Protection Convention

*LD1305201593 Budapest MTI in English 1850 GMT 13 May 93*

[Text] Strasbourg, May 13 (MTI)—Foreign Minister Geza Jeszenszky signed Convention 108 of the Council of Europe on data protection in Strasbourg today, making Hungary Eastern Europe's first data privacy signatory. He will attend the Council spring foreign ministers' meeting on Friday.

Convention 108 was adopted in 1981 by the 12 member countries of the Council of Europe, including seven EC members, to create legal guarantees for the observance of rights of individuals when collecting and handling personal data.

### Government Abolishes Military Industry Office

*LD1405110493 Budapest Kossuth Radio Network in Hungarian 1000 GMT 14 May 93*

[Excerpts] The government has abolished the Military Industry Office effective immediately and handed the office's sphere of authority over to the Ministry of Trade and Industry. Decisions regarding personnel have not been made yet, thus it is not yet known what will happen to the head of the office, whose rank is state secretary, and to the Office's 40 staff. [passage omitted] Gabor Bankuti reports from the government spokesman's briefing. [passage omitted]

[Bankuti] The justification is that military industrial production cannot be treated in isolation because it takes place in firms which manufacture other [products] too, most of which are undergoing bankruptcy and liquidation proceedings. The reorganization is intended to eliminate duplication and wishes to make efficiency and thriftiness prevail. [passage omitted]

### * Interior Minister Breaks Ribs in Car Accident

*93P20169A*

[Editorial Report] Budapest MAI NAP in Hungarian on 9 May on page 3 reports that Hungarian Interior Minister Peter Boross suffered broken ribs on 8 May when the official car in which he was riding overturned several times on the road to Esztergom. According to a police spokesman, Boross received no other injuries.

## Suchocka Calls For 'Dynamic' EC Policy

*LD1305223293 Warsaw PAP in English 1958 GMT 13 May 93*

[Text] Strasbourg, May 13—Prime Minister Hanna Suchocka speaking Thursday to the parliamentary assembly of the Council of Europe called on the European Community to pursue an open and dynamic policy towards central and eastern europe, a long-term policy which would accelerate the process of European integration.

Ms Suchocka, who before assuming the post of Polish premier had been a deputy president of the assembly, was invited to Strasbourg to address the European parliamentarians as the head of the Polish Government.

Suchocka stressed that Poland expects the EC to declare that a united Europe is its ultimate objective and pointed to the fact that the 12-nation bloc should not focus only on problems of the common market. "Turning backs on its neighbours may prove disadvantagous for the community itself," Suchocka warned.

She also appealed for opening the EC markets for products from Eastern and Central Europe and called on accelerating the process of economic, political and military integration. This will consolidate fledgling democracies in Eastern Europe, she concluded.

At the press conference that followed the speech the prime minister discussed the process of privatisation in Poland and the work of the Polish Government aiming to join the E.C and NATO. "Poland has not fulfilled all conditions for NATO membership yet but the reform of the Polish Army goes in that direction," she said.

Asked about the new anti-abortion legislation Suchocka stated that the passed law was the only possible compromise among different political groups.

At the end of her visit to Strasbourg Suchocka met the Polish community living there and encouraged polish immigrants to visit their homeland.

## Walesa Comments on Visit to Portugal

*LD1405081293 Warsaw PAP in English 2211 GMT 13 May 93*

[Text] Warsaw, Lisbon, May 13—We achieved everything we sought, and in particular we were assured of Portugals support for Polands future membership of the European Communities, President Lech Walesa told journalists on Thursday, on his return from an official visit to Portugal.

The Polish application for EC membership was upheld by Portuguese President Mario Soares, who stressed that it was essential for Poland, and the other countries of the Visegrad group, to obtain entry to the EC.

During discussions between the Polish and Portuguese sides, it was agreed that moves should be made to expand economic cooperation between the two countries. The industry ministers of both countries, in discussions accompanying the presidential visit, noted that Portugal and Poland were agreed on a venture to assemble Polish "Sokol" helicopters in Portugal.

In relation to mutual economic contacts, the Portuguese Prime Minister Anibal Cavaco Silva expressed his personal sorrow that many Portuguese products were absent from the Polish market, "including our excellent port."

During his visit to Portugal, President Walesa visited the Catholic shrine of Fatima, from where in a letter to Pope John Paul 2 he recalled the attempt against the popes life on May 13, 1981. "On the anniversary of that tragic event, I thank the mother of God for saving the life of the pope," Walesa wrote.

President Walesa returned to Poland on Thursday evening.

## New Minister of Justice Piatkowski Interviewed

*PM1305120193 Opole NOWA TRYBUNA OPOLSKA in Polish 30 Apr-3 May 93 pp 1, 5*

[Interview with Justice Minister Jan Piatkowski, by correspondent Anna Fastnacht-Stupnicka, place and date not given]

[Text] [Fastnacht-Stupnicka] We are meeting in your Sejm deputy's office on a Monday, which is your regular day for seeing your constituents for so-called "deputy's surgery duty." Does this mean that your voters still have the opportunity to have direct contact with their own parliamentary representative?

[Piatkowski] I have indeed resumed my "surgery duty." I am available to see my constituents three Mondays a month, and I rotate the venue between each of my three offices.

[Fastnacht-Stupnicka] Do your new duties allow you to continue all your work in parliamentary commissions?

[Piatkowski] No, they certainly do not. I had to give up my work in Sejm commissions. In any case, it would be inappropriate to combine work in Sejm commissions with work in the government, which is an executive body. Unfortunately, I was also forced to cancel a session of the National and Ethnic Minorities Commission, during which we were planning to produce a recapitulation of the results of our recent visiting session in the Opole region. On the day when that session was scheduled to take place, I received the news that the Prime Minister and I had an appointment with the president, to receive my ministerial nomination from him.

[Fastnacht-Stupnicka] Minister, when I attempted to contact you in your office in the ministry, I was told very firmly that for the next month you would not give any interviews to the press. What was the reason for that refusal?

[Piatkowski] Indeed, I resolutely refused to see press reporters, even from PRAWO I ZYCIE, which is a publication for the legal community. To begin with, I had too many duties to attend to, and that left no time for interviews; moreover, I needed to get to know the workings of my department if I wanted to be able to answer reporters' questions. NOWA TRYBUNA OPOLSKA is the first paper to which I am granting an interview after that somewhat longish break.

[Fastnacht-Stupnicka] You recently announced that the case against [major financial fraudsters] Bagsik and Gasiorowski had been suspended. Was that because they are still abroad?

[Piatkowski] Yes. But the legal proceedings against them have not actually been suspended, since certain aspects of the case are still being investigated. Most of them have been passed on for the court's attention now, along with the relevant acts of indictment.

[Fastnacht-Stupnicka] Nevertheless, the chief culprits in the case, who are currently resident in Israel, are not in any danger of being arrested, are they?

[Piatkowski] Not yet, because we have no mutual legal assistance treaty with Israel.

[Fastnacht-Stupnicka] Have we launched the appropriate procedure to negotiate such a treaty?

[Piatkowski] Not yet. It has not been initiated yet.

[Fastnacht-Stupnicka] The circle of people and institutions involved in the "Art-B" financial racket in this country appears to be quite extensive—not least of all because of the involvement of the Commercial and Credit Bank in Katowice. When can we expect a definitive completion of all the legal procedures?

[Piatkowski] As regards the aspects of the affair in which formal acts of indictment have been issued, we are now awaiting the setting of the dates when the cases will be heard in court. The bulk of the legal work has concentrated in Bielsko-Biala courts of law. Other cases will be directed to the Warsaw courts. Unfortunately, there are considerable personnel shortages there, and this dictates the dates of the hearings, which are not as early as the public would expect. I have already issued an appeal to all presidents of voivodship and appeal courts to give scheduling priority to all hearings connected with the Art-B, FOZZ, or Gawronik affairs.

[Fastnacht-Stupnicka] Given the large numbers of factors and aspects in these cases, and their connections with many prominent personalities and institutions, can we ever be certain that all the links in that complex chain will eventually come to light?

[Piatkowski] I believe we can. It is not in the public prosecutor's interest to suppress any aspects of these cases. In any case, I hold the view that the prosecutor's office is by definition independent and apolitical, and I do not believe that any pressure put on it—if it is true that pressure is being put on it—can be effective.

[Fastnacht-Stupnicka] Where are the roots of the Art-B affair? Should we suspect some international connections?

[Piatkowski] I would have to examine personally all the case files and read the several hundred volumes of documents generated in connection with the case before I could answer your questions. I have only a general picture of the case; it is the prosecutors who were directly involved in the proceedings who can furnish you with the details.

[Fastnacht-Stupnicka] A report issued recently by the State Prosecutor's Department asserts that methodical analysis of all legal proceedings involving various types of abuse of the banking system has revealed that this particular sector of the economy belongs to areas which are most vulnerable to and affected by criminal malpractice. To what an extent do these crimes affect newly set up banks, and how dangerous are they to long-established banking institutions?

[Piatkowski] Both types of banking institutions are equally vulnerable and affected. Unfortunately, we inherited the present type of banking practice from the past system, and it has remained virtually unchanged. Therefore opportunities for criminal malpractice in this sector are still undiminished. However, nowadays persons who are prosecuted for financial malpractice also include chairmen and directors of the banks involved, not only the offenders who obtained loans from their banks by deceit.

[Fastnacht-Stupnicka] A growing number of criminal offenses is committed in Poland by organized gangs arriving from the countries of the former USSR. There is talk of operations carried out by the Soviet mafia. How, in your opinion, can we put a stop to this tide of imported criminal activity?

[Piatkowski] In this respect, the minister of internal affairs would probably be more competent to answer your question. I plan to talk to him and to the head of the State Protection Office [UOP], because we should act in cooperation and improve the efficiency of our joint crime-combating operations—so that the prosecutor can step in more effectively at earlier stages of these operations, apply preventive measures, and forestall escapes.

[Fastnacht-Stupnicka] What is the situation in our penitentiary institutions? Do you plan to institute any measures aimed at improving conditions in our prisons and other penitentiary institutions?

[Piatkowski] The conditions there are not as bad as the media paint them. An analysis of the latest monthly reports indicates that we have a total of some 3,000 vacant places in our correctional centers and penitentiary institutions. At the peak period of the communist system there were more than 120,000 persons serving

time in correctional centers and penitentiary institutions; now there are only 62,000. We have had protests from the public, claiming that we pamper prisoners too much; for example, one objection is that recidivists are given weekend passes far too easily and use them to commit many more offenses. We are open to trying out solutions which are used in other countries, but we should not introduce excessively luxurious conditions too soon.

[Fastnacht-Stupnicka] Minister, how would you assess the proposed new penal code? It is generally considered to be very liberal, and many lawyers believe that it would be better if it were not introduced at all.

[Piatkowski] I cannot give you a considered assessment because I have not yet received the finished draft. Altogether, four separate codes have been prepared. It will be necessary to appoint experts who will pronounce their critical verdict on them. It is not always advisable to share the current popular opinion on the project, because certain academic centers are in competition with one another and, consequently, a draft prepared in, say, Krakow might provoke displeasure from the interested experts in Warsaw, Wroclaw, or Poznan.

[Fastnacht-Stupnicka] The recent Sejm act on the system of common courts has brought a wave of protests from judges, who complain that some of its provisions make them subordinate to the justice minister. Are their fears well-grounded?

[Piatkowski] I myself was the author of the minority report recommending that the procedures for appointing and recalling presidents and deputy presidents of all courts of law be the sole prerogative of the justice minister. The Justices' General Assembly would then only be required to assess the candidate. Unfortunately, the recommendation was not approved by the Sejm. Nevertheless, I will keep my opinion on that matter whether certain circles like it or not.

[Fastnacht-Stupnicka] Judges interpret this recommendation as an attempt against their independence.

[Piatkowski] This is a groundless accusation. A judge is independent only as regards his ability to give a free ruling in any given case; what we are talking about here is his administrative function. My proposed provision does not pose a threat to judicial independence: It aims to make the administration of the judiciary system more efficient.

[Fastnacht-Stupnicka] Are judges' fears not prompted by the fact that appointments to Justice Ministry offices are controlled by a particular party—and that judges will ultimately be assessed by a minister who is at the same time a member of the Christian National Union [ZChN]?

[Piatkowski] Forgive me, but why should I, as a ZChN member, be less credible and less objective in my assessments than, say, a member of the Democratic Left Alliance? Indeed, I believe that because of my ideological convictions I will be more credible and objective in my opinions.

[Fastnacht-Stupnicka] Perhaps it is not so much the question of the integrity or objectivity of your assessment as the fear that you will appoint only supporters of your own party?

[Piatkowski] But you must bear in mind that judges are by definition not supposed to be involved in politics: They may not be members of any political party. The only criterion used in the assessment is the standard of their moral and ethical principles. I would even maintain that a person who is slightly less capable as a lawyer but whose integrity and honesty are beyond doubt stands a better chance of being a good judge.

[Fastnacht-Stupnicka] The judges' protest also concerned the question of the possibility of and the procedure for recalling judges who have acted in contravention of the principle of independence.

[Piatkowski] The protest is not widespread. The younger judges have not complained about it. In my opinion, that provision is vitally necessary. Incidentally, just as in the previous provision, the draft presented by the government was much better and less stringent than the amended version proposed by the Senate. The Senate introduced the so-called action element, which is somewhat akin to the vetting procedure in respect of the years 1945-1989; in other words, it actually brought in a version of the statute of limitations, which in our penal code can only apply to crimes against humanity. The Sejm will decide whether to approve or reject the amendment.

[Fastnacht-Stupnicka] You found a certain established personnel configuration already functioning in the ministry when you assumed office. Are you in the position to make changes in personnel appointments? For example, can you appoint a new head of a department without first consulting the prime minister or the president?

[Piatkowski] Personnel appointments and their changes at the level of department directors are entirely within my competence. There is no requirement to consult the prime minister or the president. This fact is not yet widely known in the Opole region, so I will take advantage of this occasion to make the public aware that I appointed Adam Dec to the post of director of the Main Commission for Prosecution of Crimes Against the Polish Nation. Mr. Dec will discharge his duties from his position as director general of the Justice Ministry.

[Fastnacht-Stupnicka] Mr. Dec is a ZChN activist from Opole Voivodship.

[Piatkowski] He is head of the ZChN club in the city of Brzeg.

[Fastnacht-Stupnicka] Is that the only personnel change that you have introduced?

[Piatkowski] The only one.

[Fastnacht-Stupnicka] Since you were appointed minister, has the Belweder [Palace, president's official seat] expressed any wishes concerning acceleration of investigation or prosecution in certain cases?

[Piatkowski] To date, I have had no stipulations from the president. Moreover, I believe that there is no need for any such stipulations because all that time I have stressed that I will make every attempt to accelerate proceedings in all cases of major frauds. My leading principle is work for the good of society. It is not at all true what some people have muttered: "Here is another public figure who has reached a prominent and well-paid position and who will probably do little to earn his pay." My remuneration would be decidedly higher if I continued work as a lawyer. I view my present post as public service.

[Fastnacht-Stupnicka] I have noticed that, ever since you were elected Sejm deputy, you have kept an attitude of perfect calm and composure. There is no trace of nerves, agitation, or fatigue in your behavior. And even now, despite carrying a much larger burden of duty, you are obviously still in excellent form. What is the secret of maintaining such a robust spirit?

[Piatkowski] Let me tell you that if I had, on my appointment, been entering the ministry tremulously, I should have resigned from my new post there and then. But I was not tremulous, my hands were not shaking, and I have kept my cool. Believe me: I did not fight to win this post. I realize that I will be a minister of state for a specific period, and when that period comes to an end, I will not be disconsolate to be leaving. That will be a natural order of things. My attitude matches a Latin maxim which I found carved on the backs of the antique chairs in my office. In Polish translation, it says: "[Act with] Good Judgment and Courage." When I look at that inscription, I am fortified in my belief that we must act judiciously and muster enough courage to change and break through certain established ways and attitudes.

[Fastnacht-Stupnicka] Minister, since you have assumed office, have you been in a situation which required that you muster such courage?

[Piatkowski] Indeed I have. This was when I made the decision to discontinue legal proceedings against the former minister of internal affairs and the former UOP chief in the case connected with the so-called 4 June 1992 coup and the order to introduce a state of emergency in the Vistula Units [state security military formation]. Even though their decisions were not entirely lawful, they still did not infringe the law deeply enough for an act of indictment to be brought against them.

[Fastnacht-Stupnicka] Why did your decision require so much courage?

[Piatkowski] Because it might have been misinterpreted by various circles. As it turned out, though, no one had taken a critical view of it.

[Fastnacht-Stupnicka] Minister, thank you for talking to us.

## Warsaw Solidarity To Hold General Strike 20 May

*LD1305165793 Warsaw PAP in English 1610 GMT 13 May 93*

[Text] Warsaw, May 13—The board of the Mazowsze (Warsaw) Solidarity branch decided to stage a general strike in the Warsaw region on May 20. "The increasing collective irresponsibility of the government pushed us to this decision," Maciej Jankowski, Solidarity leader in the region told reporters on Thursday.

The union called on the parliament to organize a special debate on the present situation in Poland. According to Jankowski the only possible way to solve the present crisis is to establish a presidential government.

## PSL Chairman Speaks on Government's Prospects

*PM1405101193 Lodz GLOS PORANNY in Polish 5 May 93 pp 1, 3*

[Interview with Polish Peasant Party Chairman and former Premier Waldemar Pawlak by correspondent Henryk Sroczynski; place and date not given]

[Text] [Sroczynski] Could the Polish Peasant Party [PSL] replace the Peasant Alliance [PL] in the present coalition?

[Pawlak] No, we do not envisage such a possibility at all. On the other hand, as regards the prospect of forming other possible government coalitions, we are open to all offers for serious talks.

[Sroczynski] Until now we have been told that it is not possible for the Sejm—given the existing configurations and circumstances—to form another coalition...

[Pawlak] It seemed that the limit of the present Sejm's capabilities was cooperation between the Democratic Union [UD] and the Christian Democratic Union [ZChN]. However, the results of the latest vote on the universal privatization program have demonstrated that cooperation between the ZChN, the UD, and the Democratic Left Alliance [SLD] is possible. Consequently, we can conclude that the present parliament has perfectly realistic—and, indeed, so abundant as to be virtually unlimited—possibilities as regards forming a future cabinet.

[Sroczynski] In your opinion, what motives lay behind the PL's decision to withdraw from the coalition?

[Pawlak] The PL had originally acceded to the government coalition without first safeguarding within it the security of its own interests and those of its electorate.

The accession was rather hasty and ruled more by personal configurations than by considerations of a more substantive nature. At the moment, the PL is attempting to salvage its own situation. As far as I am concerned, if the rules and principles of the interparty strategy had been settled at the very beginning, they would not have to make these desperate gestures now.

[Sroczynski] How did the PSL react to the news that Minister Gabriel Janowski resigned from his post?

[Pawlak] The reasons for Mr. Janowski's resignation and the recalling of deputy ministers in his department were not connected exclusively with the affair of minimum prices for agricultural produce. Even earlier, Mr. Janowski did not do a very good job of defending these areas and his group failed to secure sufficient financial resources in the course of the government work on the state budget. And now they are suddenly surprised by the fact that agricultural produce prices are set at such low levels. Another aspect of the case is the Sejm Agriculture Commission's assessment of the work done to date by the Restructuring and Loan Reduction Fund. The facts of the case are already known to the public: We know how the money has been distributed. Often the manner of its distribution was not even remotely connected with any agricultural policy or any valid economic considerations. Rather, it was private strings and connections that dictated the distribution patterns...

[Sroczynski] The fate of the minority government is now dependent on the moves made by the opposition. How do you perceive the opposition's function today?

[Pawlak] First of all we should be asking how the government will operate under such circumstances. There have been a great many declarations from the government, but so far it appears that its staying power has become a value in itself regardless of its other merits. Many politicians seem to find it a matter of little consequence whether the current government is solving political and economic problems, whether its actions are effective, but instead they see its virtue in its power of endurance. At the same time they are quite skilled at making use of the fear of the president on the one side and the center-right orientation on the other. The fundamental brief which the government is expected to discharge is to solve the country's economic and social problems. If it fails in that task, it is only a question of time before new solutions will eventually be brought in to replace its actions. These solutions could, however, be of a very dramatic nature, and might well be dictated by the will of the people.

[Sroczynski] Sejm Deputy Jan Lopuszanski has recommended that a center-right government be formed, excluding the Democratic Union, the Liberals, or the SLD. What is your opinion of this initiative?

[Pawlak] It is a reasonably interesting proposal. As I said earlier, it is possible to envisage a variety of parliamentary solutions...

[Sroczynski] How do you react to the current conflicts between the government and the Belweder [Palace, president's official seat]?

[Pawlak] It is obvious that there is a very sharp conflict between the government and the Belweder. The latest episode in that conflict is the recent wrangle over the National Radio and Television Council. It is not enough to issue declarations of mutual assistance and respect. You need facts which will confirm and practically demonstrate the validity of the declarations on each side.

[Sroczynski] What is the present government's most regrettable shortcoming?.

[Pawlak] I believe that its worst shortcoming is the inability to perceive the seriousness of social discontent and the resultant danger, and the tendency to rest satisfied with its successes in the sphere of internal cabinet politics and configurations. This could well lead us to a situation in which parliamentary solutions will no longer be feasible. Responsibility for such a state of affairs will fall on the shoulders of those who are putting in practice the formula of making unlimited use of their power without recognizing the truth that with certain compromise solutions the system's political stability—including the government's stability—would be much more secure.

### Russian Troops Leave 3 Garrisons in South

*LD1305151493 Warsaw PAP in English 1435 GMT 13 May 93*

[Text] Warsaw, May 13—All Russian soldiers left three garrisons in Karczmarka, Czarna Tarnowska, and Chocianow in southern Poland, the office of the government's plenipotentiary for the Russian Army deployed in Poland announced on Thursday.

There are still 3,800 Russian soldiers in Poland but according to the Polish-Russian treaty signed in May last year all Russian soldiers should leave Poland by the end of 1993.

The Polish officials pointed to the Russian side that Russian military planes are sometimes used for illegal tranport of Polish and Russian passengers. There are also cases of illegal passengers from the former Soviet Union traveling on Russian military trains from and to Germany.

### Vacaroiu Receives Spanish Defense Minister

*AU1305201793 Bucharest ROMPRES in English 1901 GMT 13 May 93*

[Text] Bucharest, ROMPRES, 13/5/1993—Romania's Prime Minister Nicolae Vacaroiu received at the Victoria Palace Spain's Minister of Defense Julian Garcia Vargas who is heading a Spanish delegation now on a visit to Romania.

The Romanian premier evoked the good traditional relations between Romania and Spain, stressing that the relations between the two armies could intensify by exchanges of experts, student delegations of the military academies.

The head of the Spanish delegation appreciated that the relations between Romania and Spain would develop considerably and the visit of the Spanish envoys, though brief, had very good results. The Spanish dignitary stated that his country would further support Romania in the community structures and that it would render Romania a more intensive assistance for its admission to the European Community.

### Iliescu Meets With Spanish Minister

*AU1405090293 Bucharest ROMPRES in English 0555 GMT 14 May 93*

[Text] Bucharest, ROMPRES 14/5/1993—Romania's President Ion Iliescu received on Thursday, 13 May, at the Cotroceni Palace, Julian Garcia Vargas, the Spanish minister of defence. The interview was attended by Antonio Ortiz, Spain's ambassador to Bucharest.

After the meeting, Julian Garcia Vargas stated for the press that the visit to Romania is part of a series of contacts between the two countries' governments, Romanian and Spanish, on a previously set schedule. They are contacts regarding military issues and also private contacts between the two ministries of defence regarding the North Atlantic Cooperation Council. The Spanish minister expressed his hope that soon a memorandum of collaboration on military issues is to be signed between the two countries to stipulate military training, issues regarding the organisation of both armies and industries, and maybe other issues as well. Moreover, the Spanish minister stated that the Spanish Government supports the process of Romania's getting closer to all European institutions.

The Spanish minister also wanted to stress on the concrete support granted by NATO and by the Western European Union.

"An exchange of opinions was occasioned by the visit regarding aspects related to conflicts in the region. More concretely, we discussed issues related to Central Europe and the Black Sea zone, and on the other hand, the Western Mediterranean and the Maghrebian areas. Obviously we had an exchange of opinions regarding the conflict in the Balkans which concerns both governments."

### Iliescu Makes Statement on Leaving for Slovenia

*AU1405101193 Bucharest ROMPRES in English 0943 GMT 14 May 93*

[Text] Bucharest, ROMPRES, 14/5/1993—Romanian President Ion Iliescu left on Friday, 14 May, for an official visit to Slovenia, Croatia and for a Belgrade stop-over to discuss with six heads of state in the area. It is the first official visit after diplomatic relations were set between Romania and the two republics.

Romania's president is accompanied by Teodor Melescanu, a minister of state and Romania's foreign minister and by other Romanian officials.

On his departure at the Bucharest-Otopeni Airport, President Iliescu stated to the press that he was to start two state visits, to Slovenia and Croatia, scheduled before at the invitation of the two presidents. "We want to show on this occasion our interest to expand the fine friendship and neighborly relations we had with Yugoslavia to the new republics on the territory of former Yugoslavia, said the Romanian head of state. At the same time, the visit will occasion meetings with six heads of state from the seven republics. It is the second important moment of this visit and an occasion to inform ourselves in direct talks on the current situation in Yugoslavia, on the conflict in Bosnia and on prospects of a peace process.

"We are not serving as a substitute for the international bodies involved in the peace process", said Romania's president, "but as a neighboring country we are directly affected and interested in finding a peaceful solution to a conflict with so serious effects on human lives, on the disturbance of the economic life, and on the blockade which is obviously affecting us too. As regards this issue, we are trying to stress our interest for a regulation of the situation, for finding solutions and for a future normalization of the situation inside Yugoslavia on one hand, and in the area, on the other, for curbing the threat of an extension of the conflict. As far as we can prove useful, we believe that our presence could become a positive factor related to our interest and that of others for finding a solution to the conflict."

### SRI Director Comments on Parliamentary Control

*AU1305193393 Bucharest ROMPRES in English 1227 GMT 13 May 93*

[Text] Bucharest, ROMPRES 13/5/1993—Virgil Magureanu, director of the Romanian Intelligence Service [SRI], assesses in an interview with daily CRONICA ROMANA that, in keeping with the legislation in force, the limits of parliamentary control on the SRI are very wide. He mentioned in this respect the special prerogatives vested in the parliament's joint select commission.

Everything has to be controlled, Virgil Magureanu stressed, from the institution's strategy, from the SRI major targets, to its budget. Significant in this respect, he opines, are also the ways of exercising the control. Apart from the famous reports, apart from answers to questions, the SRI has to present accounts on special situations emerged at a given moment.

Virgil Magureanu maintains that currently "any similarity between the SRI and the former Securitate is no longer possible." From its inception, the SRI had a much smaller staff as compared with the Securitate, and in this while a series of in-depth and irreversible changes have been wrought. If these changes have not been correctly understood, this is only because of insufficient information. Most serious confusion has been maintained on purpose, vendettas were imagined or improvised against the SRI, although, Magureanu says, as one can see from the report that is to be presented to the Parliament, all this while the SRI took care of quite different things than those attributed to it "generously" by some newspapers.

Referring to the fact that in the Parliament and in the select parliamentary commission there is "a diversity of political orientations, the SRI director makes a point of stressing in his interview that "for any political orientation represented in the commission the truth is only one about the state of national security and the things that have to be done. Never, no matter how deep the contradictions, there must be a consensus as regards the problems of great national interest. I do not believe these things can be approached in a different manner by various formations. There can be nuances as regards the methods, but not as regards the major interests."

## Trade Union Leaders Hold News Conference

*AU1305185993 Bucharest ROMPRES in English 1231 GMT 13 May 93*

[Text] Bucharest, ROMPRES 13/5/1993—The first dialogue with the press of the leaders of the three trade union confederations of the National Consultative Council [CNC] after the general strike was given at the CNC headquarters, on May 13.

Statements by the Confederation President Victor Ciorbea, by Miron Mitrea, president of the Fratia Confederation, and Liviu Luca, Alfa vice-president, show that the May 5 action did not have a political character, but a purely social one. They considered the union struggle action was to the benefit of the union movement as a whole, since it managed to set the government in motion and bring it to negotiate, settle some of the union claims with special social implications.

Although the general strike is over, Victor Ciorbea said, social tensions will obtain and if the government does not prove the needed flexibility to settle them, we will witness explosive social actions next summer, that will be unforeseeable this time.

## Rivalry Among Presidential Aides Becomes Public

*AU1405053293 Bucharest ROMANIA LIBERA in Romanian 11 May 93 p 3*

[Andrei Badin article: "Controversy Expected Among Iliescu's Close Aides—They Request Traian Chebeleu's Demotion"]

[Text] The rivalry behind the closed doors of Cotroceni Palace seems to have taken an unexpected turn in the sense that it may become public. The opening was made several weeks ago by Rodica Becleanu, a person very close to President Iliescu, who attacked Traian Chebeleu, the president's spokesman, on national television.

According to sources close to the president, Traian Chebeleu's position is a delicate one because he is being accused of generally airing his own opinions rather than those of the president.

Certain persons at Cotroceni Palace are accusing Viorel Hrebenciuc, the secretary general of the government (and close aide of the president) of being involved in business affairs that are not quite clean.

The president himself has not adopted any position yet on the dispute going on behind the scenes at Cotroceni Palace.

Another angle: Prime Minister Vacaroiu is being increasingly criticized for being too weak. It is quite possible that the dispute at Cotroceni could soon escalate and that the "show-down" could be fought on the pages of our newspapers and even on television with the contribution of Rodica Becleanu.

## Ceausescu Effort To Build Nuclear Bomb Reported

*AU1305184793 Bucharest EVENIMENTUL ZILEI in Romanian 10 May 93 p 8*

[Emil Berdeli, Vasile Stanca article: "SRI Sources Correct Information Disclosed by Ion Mihai Pacepa: The Parts of the Nuclear Weapon Were Not in Baneasa Forest, But Next to Otopeni Bridge"]

[Text] In one of the installments of the text written by Ion Mihai Pacepa and recently published by EVENIMENTUL ZILEI, the former head of DIE [Department for Foreign Intelligence] claimed that [in the Ceausescu era] they were working on plans for medium-range missiles with nuclear warheads in a secret house in Baneasa forest.

Sources close to SRI [Romanian Intelligence Service] have told us that actually that house was placed by the road between Bucharest and Ploiesti, next to the bridge in Otopeni.

In the 1968-1970 period, Ceausescu had ordered the establishment of a large espionage network intended to obtain the documentation necessary for production of

the nuclear weapon. It is already known that those Securitate actions were directed both against the West and against the East. The production of such weapons was intended to intimidate both the NATO adversaries and those that were members of the Warsaw Pact. Another goal was to become able to sell such weapons to Middle East countries.

The success obtained by the Caraman network in collecting military information is already known, and it is also certain that the Securitate even managed to turn NATO political and military figures into collaborators.

Later, the house which General Pacepa wrongly places in Baneasa forest, was used as a telephone switch for wiretapping telephone conversations in the northern part of Bucharest. The technicians working there were subordinated to the former [Securitate] unit TONOLA [capitalization as published].

It is worth mentioning that all radioactive material that was to be used for the nuclear warheads was produced in Romania.

## Vacaroiu's Anti-Corruption Policy 'Anemic'

*93P20167A Bucharest ROMANIA LIBERA in Romanian 6 May 83 p 8*

[Article by Petre Mihai Bacanu: "The Colonel's Son, Colonels, Sons and Daughters, Wives, and the Minister's Scissors"]

[Text] In the course of discussing corruption in our article titled "The Long Night of the Generals" (ROMANIA LIBERA of 3 May 1993), we recalled certain charges that the Interior Ministry and the Financial Guard leveled at each other. I was wrong about Ion Gheorghe Florica if I gave the impression that I accused him of not speaking about corruption until he was removed from office. The fact is that it was precisely these revelations that led to his removal from the leadership of the Financial Guard, without Mr. Vacaroiu being able to accuse him of any wrongdoing. But, I would say that his removal occurred precisely because he disclosed corruption cases. The general, who is an expert in finance, comes from the Army and annoyed both the Interior Ministry and the SRI [Romanian Intelligence Service].

General Florica's removal wasn't exactly the end of the world—although Mr. Vacaroiu told the chief of the Financial Guard that he was to be removed, but was not able to find a reason. What is more serious is that the general's assistants were also removed, thus proving that the prime minister was afraid of the Financial Guard's leadership. That is, what if they revealed cases of corruption? Just when the president and the prime minister were declaring a war on corruption and asked that the law be enforced, people who spent two harrowing years fighting against financial irregularities and against corruption were fired without being criticized for anything. There is but one explanation: Mr. Vacaroiu wants the Financial Guard to be led by a team that is loyal to him and the government's party. Mr. Vacaroiu's fight against corruption becomes a type of "I'm off to fight corruption, but please, God, don't let me find any."

In this regard, it must be said that General Florica has indeed fired guards caught doing something wrong and that he was ready to clean house at an institution where honesty needs to be exemplary. The government felt put out when Mr. Florica revealed the corruption cases. The conflict with the Ministry of Interior cropped up when the provisions of Law No. 662/91, regarding the handling of confiscated goods, were violated by the very people at the Ministry of Interior charged with upholding them. While the Financial Guard succeeded in recovering 300 million lei, the MI recovered nothing. Those 15 files deposited at the General Prosecutor's office haven't even been touched, even though it was promised that they would be resolved by 15 March 1993. There are 94 more such cases, referring to the cases in which the police appraised the confiscated goods at prices lower than those established by the Evaluation Commission. The violation of the law is flagrant. The police do not have the authority to directly appraise confiscated goods: The goods must be turned over to the Evaluation Commission.

I believe that there is no clearer case of corruption than that of a colonel at the Section 2 police precinct. What do you think he was up to? During working hours, he guarded the headquarters of the firm "Andicom," where his son was employed. Now, mind you, he was not guarding it against burglary. Rather, he was guarding it so that the Financial Guard could not get near Mssrs. Robert and Ovidiu. The colonel would not allow the Financial Guard to check the firm's records. Pure and simple. No one gets in because papa is a policeman at the Section 2 precinct!

Now, here is the Gordian knot: The Financial Guard was sticking its nose in the business of companies established by policemen, *Securitate* members, and party activists. Like it or not, the trails also lead to the Government, to which all of these people are connected. And how could they help annoying the government, when the government's own secretary general, Mr. Hrebenciuc, calls up the Financial Guard and expresses interest in an Onesti company caught in the Guard's web of inspection? And how could it not be a nuisance when the Guard discovers that one of the *Securitate*'s secret houses, the famous "working houses," currently under SRI (UM [Military Unit] 05060/G) control, is being rented out to the family business "Eson," which is under the supervision of Adronic and Ulieru? "Eson" has a headquarters, while neither the Financial Guard, nor the Court of Accounts, nor even other institutions have headquarters. No, corruption translates to this: a former *Securitate* headquarters located at 30 London St., having 32 rooms with a total of 1,024 square meters of floor space, was rented at only 128 lei/per square meter, namely 186,368 lei per month. The 351-square-meter garden was figured into the rent. The contract was signed on 14 May 1992. It is

interesting to note that someone penned in the contract "As of this date, the building is worth 1,854,246 lei," below the list of the renter's responsibilities, whose provisions come directly from the law. Perhaps the Andronic and Ulieru families intended to buy this "bungalow" on London Street. The kicker is that a clause was added to the contract: The rent would be renegotiated in accordance with the decisions of Bucharest City Hall—decisions which, when it comes to these kind of companies, are slow to be made public. How could Andronic and Ulieru's company, which markets art in Romania and abroad, which imports and exports raw materials and finished products, etc., etc., be left out in the cold?

It's only natural for the leadership of the Financial Guard to be removed: It had been sticking its nose where it doesn't belong. Even the Guard's charter is restrictive. Mr. Valer Dorneanu, minister for relations with Parliament, responds to queries from Senators Mircea Boulescu and Mihail Jurcu, who are looking for information about the war between Financial Guard and the police, by turning around and himself requesting explanations from the Minister of Finance, Florin Georgescu.

The rule being established here, it seems, is that, first of all, something should be sent up for consideration; then the minister can step in with his scissors. He cuts out just the bit that refers to the meeting between General Police Inspectorate [IGP] and Financial Guard leaders, whose purpose it is to clear up problems associated with obeying the law on the appraisal of confiscated goods. Because, otherwise, those 102 cases on 24 police forces, which were put before the Prosecutor's office, will be buried forever in filing cabinets. It seems that these 102 corruption cases have, above all, unleashed fear. They told themselves, "It would be better if we fired the entire leadership of the Financial Guard."

We are waiting for a public response from Mr. Vacaroiu: Why was the leadership of the Financial Guard removed? And we are also waiting for one from the Prosecutor's Office: If the deadline for bringing the cases to trial was 15 March, what is the other deadline?

Mr. Vacaroiu's measures to combat this scourge, namely, corruption, are anemic. But removing the Financial Guard's entire leadership is, at very least, suspicious.

P.S. The building at 30 London Street has a story to tell. In 1970, the street only went as far as the building. Here, auto registration numbers were being changed in full view of the neighbors. One day, the "workers" arrived with a man wearing a bag over his head. And when you consider that such "working houses" numbered in the thousands....

## Bridge North of Mostar Blown Up

### Muslims Blame Croats

*AU1305195993 Sarajevo Radio Bosnia-Herzegovina Network in Serbo-Croatian 1700 GMT 13 May 93*

[Report by Haldo Dervisbegovic from Jablanica]

[Excerpt] In their desperate attempt to save the impossible creation of a state within a state by destroying everything Muslim and exterminating Muslims in this region, today the extremists from the Croatian Army and the Croatian Defense Council [HVO] blew up the bridge in Bijela, [word indistinct] on the artificial lake Salakovac, two kilometers from the Salakovac hydroelectric power station, on the Mostar-Jablanica road.

There is still no detailed information about the damage to the bridge in Bijela, nor about how it was destroyed. However, the aim of the destruction is obvious: to sever the blue corridor [road used for UN aid convoys], and to frustrate the delivery of humanitarian aid to Sarajevo and central Bosnia.

### Croats Blame Muslims

*LD1305185293 Zagreb Radio Croatia Network in Serbo-Croatian 1700 GMT 13 May 93*

[Report by correspondent Slavko Rako from Mostar]

[Excerpts] Muslim forces are continuing to seriously violate the cease-fire agreement signed in the UN stronghold of Medjugorje. Members of the units led by notorious Muslim Commander Zuka, while retreating toward Jablanica, mined a bridge in Bijela thus halting the traffic on the Mostar-Jablanica road, the Croatian Defense Council [HVO] chief command reported. This was the reason for the return of the UN Protection Force [UNPROFOR] convoy in which HVO Commander-in-Chief Milivoj Petkovic was travelling on his way to Ostrozac.

Muslim forces in the Konjic area refused to allow UNPROFOR vehicles from Jablanica to enter the occupied Croatian villages in the Konjic municipality due to renewed attacks on Kostajnica and heavy artillery attacks on the villages of Zaslivlje, Zabrdje, and Turija which started this afternoon.

The situation in Mostar remains the same. Muslim forces are violating the cease-fire agreement this afternoon, though less frequently than this morning when they used heavy guns and mortar launchers. [passage omitted]

Four HVO soldiers were killed and eight wounded since the cease-fire agreement was signed.

## Serbian Ban on Convoys to Muslim Enclaves Reported

*AU1305182693 Sarajevo Radio Bosnia-Herzegovina Network in Serbo-Croatian 1700 GMT 13 May 93*

[Text] The commander of the aggressor's army, the war criminal [Ratko] Mladic has banned all convoys with food to Srebrenica, Zepa, and Gorazde until the process of demilitarizing these places is complete. This is what John McMillan, UNHCR [Office of the UN High Commissioner for Refugees] representative, stated in Sarajevo, and added that this was a unilateral and unacceptable decision, which violates the earlier agreements on the freedom of movement for humanitarian convoys.

McMillan said that yesterday the Croatian Defense Council [HVO] held up a humanitarian convoy with food for several hours near Gornji Vakuf, demanding the release of two HVO members who had been captured by the Bosnia-Herzegovina Army. The convoy was eventually allowed to proceed, but the UNHCR do not know whether (?the HVO members were released).

### Serbs Report Evacuation

*LD1405022693 Belgrade TANJUG in English 2300 GMT 13 May 93*

["Pool" item]

[Text] Pale, May 13 (TANJUG)—A total of 14 wounded and sick people were evacuated in UNPROFOR [UN Protection Force] helicopters from Zepa, a Moslem enclave in eastern Bosnia, the Bosnian Serb military sources said.

As many as 49 wounded and sick persons were evacuated from Zepa since the operation began, the statement said and added that in this way the part of the acccord on demilitarization of the enclave was practically completed as there are no more wounded or sick in Zepa.

The operation of evacuating the wounded and the sick was unfolding in keeping with the accord on demilitarization of Zepa, which the U.N. Security Council declared safety areas, together with five other towns in Bosnia-Herzegovina. The accord was signed last week by the commanders of the Serb and Moslem forces, Gen. Ratko Mladic and Sefer Halilovic.

Under the accord, demilitarization of Zepa was to have been completed by Wednesday at 5 p.m. local time. Members of the Moslem armed forces failed, however, to hand in to UNPROFOR any of their weapons, ammunition and other materiel, TANJUG has learned from the Bosnian Serb military sources.

The statement issued Thursday night said the number of evacuated persons confirmed that the dramatic reports by the Moslem leadership and media about hundreds of wounded and seriously ill were a deliberate deception,

something the international institutions, the domestic and world public, would have ample opportunity to realize.

### UNPROFOR Troops Enter Mostar After Heavy Fighting

*AU1305133493 Paris AFP in English 1314 GMT 13 May 93*

[Text] Zagreb, May 13 (AFP)—One hundred Spanish U.N. troops moved Thursday [13 May] into Mostar where the four-day battle for the south Bosnia-Herzegovina city eased as the midday truce deadline approached, U.N. spokesmen reported.

Moslem and Croat forces were fighting with mortars and small arms, both Radio Sarajevo and Radio Zagreb reported Thursday. But a U.N. spokesman in central Bosnia said shelling had abated.

"There has been a decrease in the amount of shelling and mortar fire," said Captain Bill Karaktin from the Bosnian headquarters of the U.N. Protection Forces (UNPROFOR) in Kiseljak. "But there is still small-arms and sniper fire."

The Spanish troops entered the city, from which they had been barred since Sunday, as part of the ceasefire accord hammered out Wednesday night between General Sefer Halilovic, commander of the Moslem-led Bosnian army, his Croat counterpart Milivoj Petkovic, and U.N. commander General Philippe Morillon in the south Bosnia town of Medjugorje, said U.N. forces spokesman here.

As the accord's noon (1000 GMT) deadline approached, the chief of the U.N. military observers, General Bo Pellnas told journalists here that he was sceptical about the warring parties's ability to stick to the agreement.

The latest accord closely resembled a similar ceasefire which broke down rapidly a few weeks before, Pellnas said.

"There seems to be a very troublesome situation with the chain of command," Pellnas said of the rival forces.

Under the agreement, the 1,300 Moslem residents of Mostar whom the Bosnian Croat militia (HVO) are holding in two camps on the outskirts of the city are to be released later Thursday.

Mostar became a battlefield Sunday when the HVO attacked Moslem positions, provoking the condemnation of the U.N. Security Council Monday, in what seemed to be a bid to clear Bosnian army forces from an area allocated to Croats under the Vance-Owen peace plan.

Meanwhile Sarajevo radio has accused Bosnian Serb forces and the HVO of mounting a joint attack Wednesday night on the southern town of Konjic, about halfway between the Bosnian capital and Mostar.

Serb-Croat forces attacked the town from three directions, said the radio. The Halilovic-Petkovic ceasefire also applies to Konjic.

In a separate development, the commander of Bosnian Serb forces, General Ratko Mladic, has blocked all aid convoys to the three Moslem enclaves in east Bosnia, the U.N. High Commissioner for Refugees (UNHCR) announced in Sarajevo Thursday.

The blockade of Zepa, Gorazde, and Srebrenica, home to an estimated 125,000 people, was a "direct violation of the agreement that (Mladic) signed," said UNHCR spokesman John McMillan, referring to an accord agreed Saturday in Sarajevo on the free movement of humanitarian organisations.

Mladic said the blockade would stand "until the demilitarisation of Srebrenica has been completed", but gave no reason for stopping supplies to Zepa and Gorazde, said McMillan.

### HVO Threatens To React With 'Vengeance' in Mostar

*LD1305123393 Zagreb Radio Croatia Network in Serbo-Croatian 1100 GMT 13 May 93*

[Report by correspondent Slavko Rako for Croatian Radio from Mostar]

[Text] The Muslim side has not fulfilled one single provision of yesterday's agreement signed between General Milivoj Petkovic, the chief of the general staff of the Croatian Defense Council's [HVO] armed forces, and General Sefer Halilovic, the commander of the Muslim forces in Bosnia-Herzegovina. On the other hand, the HVO representatives have fulfilled most of the obligations listed in the signed agreement.

The UNPROFOR [UN Protection Forces] has been allowed access to Mostar and to pass through the HVO checkpoints without any delay.

A certain number of civilian evacuees have been released from the Heliodrom barracks. An order has also been issued to cease combat ativities.

A statement, released just few minutes ago by the command of the eastern Herzegovina operational zone, testifies best to the Muslim army's conduct, as it says: Despite the agreed truce, forces of the Bosnia-Herzegovina Army are stubbornly firing their artillery and firearms of every description at HVO formations and the town's civilian facilities as they take advantage of the presence of the UN force. Last night, three defenders were killed and eight wounded by sniper fire. The statement goes on to say that the HVO formations have been observing the agreed cease-fire and retaliate only when they have to retrieve dead and wounded.

A sharp protest has also been lodged with the UNPROFOR command, demanding that it exert its

influence to put an end to the attacks. Otherwise, the HVO will react with a vengeance.

General Milivoj Petkovic, the HVO chief of the general staff, has also lodged a protest note with the UNPROFOR command in Kiseljak and the command of the Spanish Battalion. His protest note says that fears have come true that the Muslims forces would not let the UNPROFOR enter the area of the Konjic municipality where the Muslim forces continue to attack the besieged Croatian villages. We sharply protest over UNPROFOR's inefficiency. Unless you immediately protect the Croatian population in the area of Konjic municipality, we will hold you responsible for the further suffering of the Croats, Gen Petkovic writes in his note to the UNPROFOR Command.

### Muslims in Brcko Appeal for Help in Clashes With Serbs

*AU1305190693 Sarajevo Radio Bosnia-Herzegovina Network in Serbo-Croatian 1700 GMT 13 May 93*

[The Brcko Press Center report]

[Text] The defense lines of Brcko are just barely holding. With the mountain of weapons they had or have brought in from Srebrenica and Zepa, the chetniks have been frontally attacking the entire Brcko defense line since 0830. All day, howitzers, tanks, mortars, recoilless guns, and heavy machine guns have been pounding the defensive positions, and Bajici, Lukovac, (?Ulovici), Lipovac, Brod, Brodusa, the old greenhouse, and Suljagic Sokak. While hundreds of shells, including incendiary ones, are landing on our entire defense, the Serbian chetniks led by Mauzer's special units for breakthroughs have been trying to penetrate for 10 hours now in fierce sweeps of tanks and infantry the free territory of Brcko at Licki Most, Rijeke, Dizdarusa, Omerbegovaca, and Vranovaca.

Surrounded by flames and ruins, and without sparing their blood and lives, the Brcko heroes are resisting with superhuman efforts the onslaught of the Serbian chetnik mechanized hordes, which have moved so close to our positions on some parts of the front that it has almost come to hand-to-hand fighting. One chetnik tank has been destroyed, while another has been damaged, dozens of chetniks have been killed, but the situation is the same. The aggressor simply reinforces his troops and attacks with even more ferocity.

At 1630 from the direction of (?Razevo) a huge convoy of heavy chetnik trucks arrived in Brcko. The defenders of Brcko urgently need help now. This is not a fight for just one town, this is a fight for Bosnia-Herzegovina. All those who feel for Bosnian and who have not yet had any business with the chetniks should come here and help in the defense of Brcko and our homeland. The Brcko defenders are just barely holding out against the enormous force of the chetnik army. Our defense lines could collapse, and if we pulled back, the entire Bosnia-Herzegovina would be pulled back. Chetnik shells have killed three and wounded 10 Brcko citizens. The shelling of the free Brcko territory is still under way. Our strength is at its end. The Brcko people need help.

We appeal to the international community and UNPROFOR [UN Protection Force] not to allow Gorazde, Srebrenica, and Zepa to be repeated on the free Brcko territory.

### 'Fierce Battles' Taking Place in Konjic Area

*LD1405114493 Belgrade TANJUG Domestic Service in Serbo-Croatian 0800 GMT 14 May 93*

[Text] Bileca, 14 May (TANJUG)—Units of the [Bosnian] Serbian army in Herzegovina have been waging fierce battles in the Konjic municipality area since yesterday afternoon, the Herzegovina Corps information service has said.

One Serbian soldier was killed and two wounded in clashes which have been taking place in the Bijela area near Konjic since yesterday afternoon. Serbian military sources say that scores of soldiers loyal to Alija Izetbegovic were killed and wounded in these clashes and that their onslaught on Bijela is so far unsuccessful.

The regular Croatian forces opened heavy mortar fire on Herzegovina Corps positions and on the Serbian villages in the Trebinje forest area. Jasenica-Lug, Krajkovic, Hum, Cicina, and Taleza villages were attacked.

Clashes between Croats and Muslims are continuing. The fiercest Croat-Muslim clashes have been taking place in the Konjic municipality area.

### Muslims Report 'Joint' Serbian, Croatian Attack in Konjic

*AU1305144293*

[Editorial Report] Sarajevo Radio Bosnia-Herzegovina Network in Serbo-Croatian at 1300 GMT on 13 May carries in its regular 42-minute newscast reports from Konjic and Mostar on the fighting between the Croatian Defense Council [HVO] and the Bosnia-Herzegovina Army.

Reporting from Konjic, Borka Rudic says that "since the early morning, joint HVO and Chetnik forces have been attacking the defensive positions from several directions. From their positions in the villages of Borci and Bijela, the Serbian-Montenegrin aggressor has been giving heavy artillery support to infantry attacks by the HVO on the outskirts and surrounding villages. The fiercest attacks of the united aggressors have been carried out from the positions in (?Ljubina), which the HVO recently handed over to the Chetniks without a single shot being fired. According to the Command of the Operative Group Northern Herzegovina, there are casualties among both fighters and civilians." She cites the same source as saying that "fierce fighting is also in progress in the valley of the Neretvica River, and the shelling of the Jablanica defense lines is continuing with multiple rocket launchers positioned in the Prozor commune."

The Mostar Press Center reports that "it is somewhat quieter in the city today, but the fighting has by no means stopped. This morning HVO forces again shelled Mostar, particularly the left bank of the Neretva River, while some houses are still burning along the demarcation line in Revolution Boulevard. The Spanish [UNPROFOR] contingent has arrived at the airport and helipad, and they have positioned themselves on both banks of the Neretva River. They are patrolling both parts of the city. At 1200 today, the Bosnia-Herzegovina Army and the HVO forces should have started withdrawing to barracks, and all the captured civilians should be released during the course of the day."

### UNHCR Denounces 'Serious' Rights Violations by Croats

*AU1405130493 Paris AFP in English 1253 GMT 14 May 93*

[Excerpts] Sarajevo, May 14 (AFP) - Serb leaders began a special meeting in Belgrade Friday [14 May] to persuade the Bosnian Serbs to accept the Vance-Owen peace plan, as a new Serb offensive on Brcko in northern Bosnia posed a grave threat to the latest fragile ceasefire.

U.N. High Commissioner for Refugees Sadako Ogata meanwhile denounced "serious human rights violations" againt Moslems in Croatian-controlled Bosnian zones, according to UNHCR spokesmen who said Croat forces were holding 2,000 people near Mostar in the south. [passage omitted]

A team from the U.N. High Commissioner for Refugees (UNHCR) was due to try to reach Mostar Friday.

UNHCR spokesman in Sarajevo John McMillan said Croat forces were holding some 2,000 people, mostly Moslems, in an old aircraft factory in Jasenica, near Mostar. He quoted Croat militia as saying the people had been taken there "for their own safety."

In Geneva a UNHCR spokesman said Friday the UNHCR was "deeply concerned" about the deteriorating situation in Croat-held areas of Bosnia.

U.N. High Commissioner Ogata denounced "serious human rights violations" in a letter to Bosnian Croat leader Mate Boban, citing such offenses as forcible removal at gunpoint committed in areas including Vitez, Kiseljak and Mostar, the spokesman said.

In Paris, Bosnian Foreign Minister Haris Silajdzic strongly criticised European Community policy on Bosnia.

"It's not neutrality but complicity," he said.

Speaking after talks with French Foreign Minister Alain Juppe, Silajdzic said 13 months of diplomatic activity had "resulted mostly in destruction and death in Bosnia-Herzegovina."

"Unfortunately the E.C. is now helping this totalitarian fascist system in Belgrade to either kill or expel," he added.

### Karadzic Backs Croats Against Muslims

*LD1205195993 Belgrade TANJUG Domestic Service in Serbo-Croatian 1702 GMT 12 May 93*

[Text] Pale, 12 May (TANJUG)—After these fierce Muslim-Croat clashes in the Neretva valley, there is no going back to old utopias and false and insincere alliances, president of the Serb republic [in Bosnia-Herzegovina] Radovan Karadzic told Serb republic radio "Studio S."

Both sides have started to define their territories, which has not happened at the negotiating table, and mostly because of the Muslim leadership which still has fantasies about a unitary Bosnia.

"I really cannot understand these clashes. What right does the Muslim side have to gain provinces 8 and 10 by force of arms, after it signed the Vance-Owen plan according to which these two provinces are part of Herceg-Bosna? Croats have the right to establish their authority in these provinces," Radovan Karadzic said. He noted that the [Bosnian] Serb army will not interfere in these conflicts, but it has always been prepared to receive civilians and casualties regardless of where they come from.

### Serbs, Croats Detain UN Personnel in Separate Incidents

*AU1305180893 Paris AFP in English 1747 GMT 13 May 93*

[Text] Kiseljak, Bosnia-Herzegovina, May 13 (AFP) - A U.N. convoy hit a child in central Bosnia on Thursday [13 May] and was detained by Croats, while a group of U.N. military observers was held in their house by Serbs in the south.

Officials of the United Nations Protection Force (UNPROFOR) said a Dutch transport convoy badly injured a child in the town of Jaklici west of Prozor.

Lieutenant Colonel Patricia Purves, UNPROFOR spokeswoman, said Croat army troops were angered by the incident and stopped the convoy.

Few other details were immediately available. Lt. Col. Purves said a contingent of British U.N. troops was dispatched to the scene.

In the town of Nevesinje, southeast of Mostar, a group of U.N. military observers was barred by Serbian soldiers from leaving their house Thursday.

"They (the Serbs) came to the house and said you are not allowed to leave," said Lt. Col. Purves. "We don't know for what reason."

UNPROFOR officials said that Bosnia U.N. commander General Philippe Morillon and the senior military observer were lodging a complaint with the Serbs over the incident.

### Serbs Reportedly Use 'Poisonous Gases' in Maglaj Area

*LD1305225493 Sarajevo Radio Bosnia-Herzegovina Network in Serbo-Croatian 2000 GMT 13 May 93*

[Excerpt] The aggressor has seriously violated the cease-fire in the Maglaj area and on the Tuzla battlefield. Fierce clashes were being waged in the Jovic area near Maglaj this afternoon. The chetniks used poisonous gases in the area this morning, and the city [of Maglaj] was being destroyed with tank and howitzer shells. One defender was killed and one wounded.

The aggressor launched a combined infantry-artillery attack on (Celic). The defenders returned fire. Three people were killed and ten were wounded in the shelling.

Five civilians were seriously wounded in enemy shelling of Banovici municipality today. [passage omitted]

### Serb Helicopters Reportedly Flying in Tuzla, Gradacac

*AU1305153593*

[Editorial Report] Sarajevo Radio Bosnia-Herzegovina Network in Serbo-Croatian at 1300 GMT on 13 May carries in its regular 42-minute newscast two reports on "enemy" helicopter flights in the regions of Tuzla and Gradacac.

Reporting from Tuzla, Salih Brkic says that "according to the command of the Tuzla defense, three more flights by the aggressor's helicopters were registered last night on the Bijeljina-Mount Majevica-Brcko route."

The Gradacac Information Center reports that "considering the great number of helicopter flights during the night, the future of the cease-fire on this front is uncertain, to say the least. Last night 10 transport helicopters flew from Modrica to Skugric, Brcko, Pelagicevo, Porebrice, and (?Slatina). The Chetniks are paying no attention to the NATO planes and are just carrying on transporting troops and equipment by helicopter."

### Spanish Troops Unable to Reach Croatian Villages

*LD1305130093 Zagreb Radio Croatia Network in English 1205 GMT 13 May 93*

[Text] According to the Croation Defense Council Information Center in Mostar, Spanish peacekeepers bound for the besieged Croat villages in the Konjic municipality around 8:00 last night arrived in Ostrozac. Due to an intense mortar attack by Muslim forces on Kostajnica they were again prevented from reaching the villages in which several hundred Croat residents are detained.

More than 2,500 Croats are reported to be held in Muslim encirclement in Turija, Zabrdje, and other villages near Konjic.

### TANJUG Reports Croatian Attack Near Trebinje

*LD1305230693 Belgrade TANJUG in English 2049 GMT 13 May 93*

["Pool" item]

[Text] Bileca, May 13 (TANJUG)—Croatia's regular troops on Thursday afternoon opened heavy mortar fire on Serb villages in the region of Trebinje [word indistinct] Suma (eastern Herzegovina), Serb military sources said.

Large-caliber shells hit the villages of Jasenica-Lug, Krajkovici, Hum, Taleza and Cicrina. The Herzegovina Corps of the Bosnian Serb Army said there were no casualties in the attack.

Tens of thousands of Croatia's regular troops have been engaged in the civil war in Bosnia-Herzegovina, supporting local Croat forces in cleansing western Herzegovina of the Serbs.

Provocations were reported on Thursday also around Kalinovik in Herzegovina, where Serb positions came under heavy mortar fire by Muslim forces.

### Talks Proceed at Airport on Demilitarizing Sarajevo

*AU1305150493 Sarajevo Radio Bosnia-Herzegovina Network in Serbo-Croatian 1300 GMT 13 May 93*

[Text] At Sarajevo airport today, military representatives is to continue discussing the conversion of Sarajevo into a safe haven under UN control. It was announced at Sarajevo's UNPROFOR [UN Protection Force] headquarters that yesterday all three sides showed considerable interest in reaching a concrete agreement, but differences remain, particularly between the Bosnia-Herzegovina Army delegation and that of the aggressor.

General Milan Gvero, representative of the aggressor's army, demanded that the demilitarization of Sarajevo be conducted after the Srebrenica model, that is, that the defenders hand over all their weapons to UNPROFOR, and the aggressor's troops besieging the city pull back to a certain distance from Sarajevo.

Colonel Jovan Divjak, who is leading the Bosnia-Herzegovina Army delegation, rejected this demand, and requested in turn that the UN Security Council Resolution 824 be implemented, according to which the aggressor has to remove all heavy artillery and place it under supervision.

We have found out that the delegations of the Bosnia-Herzegovina Army and the Croatian Defense Council are to present a joint proposal during the talks.

### Izetbegovic, Churkin Comment on Meeting

*LD1405005193 Sarajevo Radio Bosnia-Herzegovina Network in Serbo-Croatian 2000 GMT 13 May 93*

[Text] This afternoon, Bosnian Presidency President Alija Izetbegovic received Russian Deputy Foreign Minister Vitaliy Churkin, special Russian envoy for Bosnia-Herzegovina negotiations. They had talks about the situation in our country and the peace process led by the international community. The meeting was attended by representatives of the government and Armed Forces of our country. Here is a report by Nada Rajkovic:

[Rajkovic] Following talks between Bosnian President Alija Izetbegovic and Vitaliy Churkin, the following press statements were made:

[Begin recording] [Churkin, in English with superimposed translation] I had a very good conversation with President Izetbegovic. This was not the first time I have met Izetbegovic, this was the third or fourth time. But this was the first chance for me to visit Sarajevo and have talks with him here. I was very much impressed by what I saw in this city. I hope that my visit will promote and symbolize Russia's orientation toward the constructive resolution of the tragic conflict in Bosnia, and its stand toward the fate and future of this city, which has become a symbol of this heavy conflict.

We spoke about a number of aspects of the conflict in Bosnia-Herzegovina, the situation in safe havens, and also perspectives for a political solution. I hope that if we really do our best we can have the Vance-Owen plan accepted and implemented very soon. All sides must focus on this goal and do their best to make it happen.

We also exchanged views on what happened in central Bosnia. I briefed Mr. Izetbegovic about my talks with President Tudjman in Zagreb yesterday, and I belive that in this regard things are moving towards normalization, not toward further conflicts.

[Izetbegovic] As you can see, it was a relatively brief but a very intensive conversation. As Mr. Churkin has said, the conversation was held in this atmosphere and about these topics, but I took this opportunity to draw his attention to the situation in Herzegovina again, to additional efforts that ought to be invested to make this cease-fire hold and to the mass-scale offensive in the Brcko area—to do everything to stop it. I also informed him that convoys that were advancing towards Zepa and Srebrenica, despite a very clear agreement on free passage, have been stopped.

[Churkin] Let me just say in this connection that Russia was one of the initiators of the concept of safe havens and that it was in permanent contact with the Serbs. We shall continue to stress the need of supervising all agreements concerning the safe havens, in line with UN Security Council resolutions. I am very disturbed by what President Izetbegovic told me with regard to certain problems in the Srebrenica and Zepa regions, and I will certainly visit Belgrade once again to check (?what this is all about). We will insist on everything being put right so that these things are never repeated in the future. [end recording]

[Rajkovic] Journalists succeeded in asking Mr. Churkin what are the next moves of the Russian Federation, and what is the UN Security Council reaction to their initiative of deploying military observers along the border with the so-called Yugoslavia.

[Begin Churkin recording] [words indistinct] this is one of the aspects of the proposal about which we are in full agreement with President Izetbegovic. We propose that UN observers be deployed along the entire Bosnia-Herzegovina border. I discussed it with President Tudjman and General Wahlgren, and we believe that it could be achieved from both the political and practical sense. This could be an important element in limiting and easing the conflict in Bosnia-Herzegovina. [end recording]

### Bosnian Serbs To Attend Pan-Serbian Session

*LD1305163993 Belgrade TANJUG Domestic Service in Serbo-Croatian 1457 GMT 13 May 93*

[Text] Belgrade, 13 May (TANJUG)—A delegation of the people's assembly of the Serb republic [in Bosnia-Herzegovina] is coming to Belgrade to attend the session of the pan-Serbian assembly tomorrow, TANJUG learned from the office of Assembly President Momcilo Krajisnik. The delegation will most certainly be led by Vojislav Maksimovic, chairman of the club of deputies. The club of deputies is made up of representatives of all regions of the Serb republic and the delegation which is coming to attend the pan-Serbian assembly will reflect their regional representation in the assembly of the Serb republic.

### Tudjman, Russian Envoy Discuss Bosnia, Knin

*LD1305030393 Zagreb Radio Croatia Network in Serbo-Croatian 2100 GMT 12 May 93*

[Text] Croatian President Franjo Tudjman received Vitaliy Churkin, Russian deputy foreign minister and special envoy. He was accompanied by Russian Ambassador to Croatia Leonid Kerestedzhiyants it was announced by the president's office.

At the meeting the situation in central Bosnia was discussed, as well as relations between the Muslims and Croats of Mostar. They also discussed ways of resolving the clashes between the Croats and Muslims, the difficulties encountered in Croatia's protected areas, as well as the possibilities of dialogue between the Croatian authorities and the Serbian rebels. Speaking about the clashes between the Croats and Muslims in central Bosnia, Vitaliy Churkin expressed regret at the fact that they had taken place and stressed that it was these clashes that have drawn attention to the complexity of the situation in Bosnia-Herzegovina.

President Tudjman said that since the very beginning he had been drawing attention to the complexity of the Bosnia-Herzegovina crisis. From the point of view of Croatian policy, there are two principal tasks for the resolving of the crisis in Bosnia-Herzegovina. These are: An end should be put to the Serbian aggression, and the Muslim leadership should be persuaded to accept such a solution that will be in the interest of all three peoples. President Tudjman stressed that he and a state delegation were getting ready to visit Mostar to exert their calming influence on the situation.

Talking about Croatia's UN-protected areas, Vitaliy Churkin said that he was going to visit Knin tomorrow and asked President Tudjman for a message for the Serbs there. We guarantee the Serbs in the protected areas all civil, cultural, and political rights, as well as self-government in the two districts where they are in the majority, the president said. We are ready for a peaceful solution to the problems and to normalize, as soon as possible and as quickly as possible, our relations. We cannot, however, tolerate the current situation in Croatia forever, the president said. He added that the international community ought to influence Belgrade and support the implementation of the Vance plan.

### Churkin Urges Observers Deployed Along Border

*LD1305170793 Belgrade TANJUG in English 1609 GMT 13 May 93*

["Pool" item]

[Text] Knin, May 13 (TANJUG)—The Russian president's special envoy for the former Yugoslavia, Vitaliy Churkin, on Thursday said Moscow had proposed the deployment of international observers along the entire border of Bosnia-Herzegoina.

'The proposal (recently raised by Russia in the U.N. Security Council) calls for the deployment of observers along the entire border of Bosnia-Herzegovina,' meaning not only along the border with the Federal Republic of Yugoslavia (F.R.Y.) but also along the border with Croatia, Churkin told reporters in Knin, the political centre of the Republic of Serbian Krajina (RSK).

The RSK has been proclaimed by Serbs in the parts of the former Yugoslav Republic of Croatia where Serbs constitute a majority or a significant minority. Croatia forcibly seceded from the former Yugoslavia.

The RSK has for over a year been a U.N. Protected Area (UNPA).

Churkin, Russia's deputy foreign minister, said he had discussed the possibility of the deployment of observers along the entire border of Bosnia-Herzegovina with President Franjo Tudjman of Croatia in Zagreb on Wednesday.

After conferring in Knin with RSK Prime Minister Djordje Bjegovic and RSK army commander, Gen. Mile Novakoviv, Churkin said he did not want to be too great an optimist, but said he felt that 'some practical matters, those of economic nature, can be resolved in a negotiating spirit between the RSK and Croatia.'

Quite contrary to the Russian mediator, who was reserved in disclosing details of his mission, adviser in the RSK government Borislav Martinovic told reporters that Churkin had come to Knin with an offer from Zagreb for the autonomy of the RSK.

'We have, of course, rejected it (the offer). The (?stand) of our people has been known since the referendum held on May 12, 1991,' Martinovic said.

The Serbian people voted in the referendum in favour of remaining in Yugoslavia and against living in Croatia in which it was proclaimed a national minority. Croatia tried with the 1991-1992 war to establish its authority on the territories on which Serbian people has been living for centuries.

Churkin said he hoped Bosnian Serbs would say 'yes' at the upcoming referendum to the Vance-Owen peace plan for the division of Bosnia-Herzegovina into ten ethnic provinces.

'If not, we will continue to work,' Churkin said. The Russian mediator said he felt the peace plan of the co-chairmen of the conference on the former yugoslavia, Cyrus Vance and David Owen, would be accepted in the end.

### Churkin Meets Tudjman on Return From Knin

*LD1405003793 Zagreb Radio Croatia Network in Serbo-Croatian 2000 GMT 13 May 93*

[Text] We have just received a report from the office of the president of the republic. In the Presidential Palace

this evening, President Franjo Tudjman received Vitaliy Churkin, President Yeltsin's special envoy and deputy foreign minister of the Russian Federation, who returned from visits to Knin and Sarajevo. Churkin briefed President Tudjman on the talks he had with Alija Izetbegovic in Sarajevo and with representatives of local Serbs in Knin. President Tudjman accepted Churkin's proposal for a meeting between representatives of Croatian authorities and representatives of local Serbs with the aim of normalizing relations in Croatia's UN protected zones. The opening of road and railway links, pipelines, and long-distance power lines, as well as other concrete steps concerning economic integration and the overall normalization of relations with local Serbs, will be discussed at the meeting expected to take place on Tuesday, 18 May in Topusko. Mr. Churkin was accompanied by Mr. Leonid Kerestedzhiyants, ambassador of the Russian Federation to the Republic of Croatia, who offered his good services when the talks take place in Topusko.

On the Croatian side, the meeting was attended by Jure Radic, head of the office of the Croatian president, Defense Minister Gojko Susak, and Interior Minister Ivan Jarnjak.

### Serb Krajina-Croatian Talks May Resume in Moscow

*LD1305222893 Belgrade TANJUG in English 1957 GMT 13 May 93*

["Pool" item]

[Text] Knin, May 13 (TANJUG)—The state committee of the republic of Serb Krajima (RSK) for relations with UNPROFOR [UN Protection Force] announced on Thursday that Russian special envoy Vitaliy Churkin had accepted the Krajina officials' proposal to resume talks with representatives of the former Yugoslav Republic of Croatia.

Churkin suggested that the new round of talks be held in Moscow and said he would on May 15 hold consultations on the proposal with co-chairmen of the conference on the former Yugoslavia Lord Owen and Thorvald Stoltenberg, the committee said in a statement.

Churkin, Russia's deputy foreign minister and its envoy to talks on the former Yugoslavia, on Thursday met with RSK premier Djordje Bjegovic and RSK army commander Gen. Mile Novakovic.

The RSK officials proposed that the talks be held on an equal basis and rejected a proposal by Croatian President Franjo Tudjman for the normalization of relations "not with the RSK, but the autonomous Serbs who live in Croatia." Bjegovic and Novakovic were informed about Tudjman's proposal by Churkin who visited the Croatian capital on Wednesday.

The RSK, a predominantly Serb-populated territory in the former Yugoslavia, was put under U.N. protection after a conflict in summer 1991 between the Croatian Army on one side and local Serbs and the former Yugoslav Army on the other.

On January 22 this year, Croatia launched an offensive on the RSK and ignored U.N. Resolution 802, demanding it to withdraw its troops to initial positions.

The proclamation of the RSK followed the Serbs' opposition to Croatia's secession from the former Yugoslavia and an attempt by the authorities in Zagreb to reduce their rights.

The RSK state committee said Gen. Novankovic had informed Churkin about the current military situation in view of Tudjman's threats to resolve the Krajina problem by military means.

According to Zagreb's interpretation of the (?plan), U.N. troops in the RSK should restore Croatia's sovereignty over that territory. Tudjman and other Croatian officials have threatened several times that Croatia will restore its rule by force if UNPROFOR failed to do so.

The Vance plan does not anticipate any political solutions, but stipulates that U.N. troops should remain in the RSK until a political solution is reached by peaceful means.

The RSK committee described talks with Churkin as a useful exchange of views, but said his visit was still an attempt "to inaugurate the diplomacy of the so-called new world order."

### Croatian Army Reports Attack on Novi Grad

*LD1305094393 Zagreb Radio Croatia Network in Serbo-Croatian 0900 GMT 13 May 93*

[Text] This morning has been quiet in the Zadar-Biograd area. The Croatian Army's Department for Political Activity in Zadar announced that until late last night Chetniks sporadically fired on positions of the Croatian Army in Zemunik Donji and Suhovare with artillery. Several tank shells were fired on Zadar from Zemunik Gornji.

A fierce attack was launched on Novi Grad, during which Chetniks fired more than 50 howitzer and mortar shells from Debelo Brdo. Croatian artillery returned fire, targeting only the enemy's military facilities, the Croatian Army's Department for Political Activity in Zadar announced.

A general alert is still in force in Zadar and Biograd.

### Krajina's Jarcevic Rejects 'Special Status'

*AU1305152193 Belgrade BORBA in Serbo-Croatian 12 May 93*

[Interview with Slobaodan Jarcevic, foreign minister of the republic of Serbian Krajina, by S.P. Stamatovic; place and date not given]

[Excerpts] Belgrade,—The mandate of the UN Protection Force [UNPROFOR] in the republic of Serbian

Krajina runs out at the end of the month. Referring to this, the foreign minister in the republic of Serbian Krajina's government, Slobodan Jarcevic, said the following to BORBA:

"The republic of Serbian Krajina has expressed its wish that UNPROFOR extend its mandate on our territory, but it should adjust it so as to be in accordance with Article 1 of the Vance-Owen plan, which says that in the Croat-Serb conflict there must be no influencing of the political solution." [passage omitted]

[Stamatovic] What will happen with the announced unification of the Serbian republic [of Bosnia-Herzegovina] and the republic of Serbian Krajina?

[Jarcevic] Greater pressures on, and greater danger to either of the two Serbian states will accelerate the unification process. This process has not come to a standstill. Unification was envisioned as being gradual, but if Regulation No. 1 of the Vance-Owen plan is not applied to the Krajina, the republic of Serbian Krajina will be forced to form closer ties to the Serbian republic in order to defend itself from the Croat aggression that is in progress.

[Stamatovic] There are indications that, in negotiations with Croatia, the Federal Republic of Yugoslavia, Serbia that is, will opt for some kind of autonomy for the republic of Serbian Krajina within the framework of Croatia?

[Jarcevic] It is obvious that breaking the Serbian republic by forcing it to accept the Vance-Owen plan would result in the republic of Serbian Krajina being isolated from the world and forced to accept an autonomous status within the framework of Croatia. This was proposed to the delegation of the republic of Serbian Krajina several times in New York and Geneva by the cochairmen of the peace conference. It is quite obvious that this is a strategy intended to prevent the establishment of the Serbian states of the Serbian republic and the republic of Serbian Krajina. Naturally we rejected these proposals with the explanation that after three cases of genocide committed against the Serbs, no one has the right to force them into a joint existence with the Croats. If there are going to be certain talks, we are going to request the Federal Republic of Yugoslavia to keep us informed about the parts of the talks that concern the republic of Serbian Krajina. We are not going to agree to any special status or autonomy. The people of the republic of Serbian Krajina will reject any possible agreement among other countries, because the people and its leadership are the only parties with any jurisdiction when it comes to negotiating about the future of the country.

[Stamatovic] Is there any chance of some kind of normalization of relations between the republic of Serbian Krajina and Croatia?

[Jarcevic] A normalization of relations with Croatia can be realized only on the level of two independent states. Such normalization could not hurt anyone. However, if Croatia wants to annex our territory we are going to defend ourselves.

## Krajina Assembly Chairman Discusses Recognition

*AU1305164893 Belgrade BORBA in Serbo-Croatian 13 May 93 p 5*

[Interview with Mile Paspalj, chairman of the assembly of the republic of Serbian Krajina, by S.P. Stamatovic, place and date not given]

[Excerpts] [passage omitted] [Stamatovic] What do you in the republic of Serbian Krajina, as the initiators of the pan-Serbian assembly, expect from this gathering?

[Paspalj] I see the pan-Serbian assembly as another attempt to analyze what the Vance-Owen plan offers, and a chance for the assemblies of Serbia, Montenegro, and the FRY to make certain suggestions as to what is to be done.

[Stamatovic] But concrete suggestions have already been made—that, instead of a referendum in Bosnia-Herzegovina, the joint session of the five assemblies decide about whether to accept the peace plan.

[Paspalj] This suggestion is all right so long as all the deputies vote that way. I have already said that my 82 deputies have no authority to make a decision if the deputies from the Serbian republic do not come. I personally would not want to say whether I am for or against the signing of the Vance-Owen plan. I will accept any decision that is reached by the joint assembly of the republic of Serbian Krajina and the Serbian republic. [passage omitted]

[Stamatovic] There is much talk these days about the "selling out of the interests" of the Serbs outside Serbia. Do you believe in the leaderships of Serbia, Montenegro, and the FRY?

[Paspalj] I believe in the Serbian people in Serbia and Montenegro, and the Serbian people have elected their leadership. I think that this historic moment, which is seen by many as very unfavorable for the Serbian people, for me is extremely favorable for the final solution to the Serbian question in the Balkans. I think that all three Yugoslavias have been an illusion. The sooner we get rid of this illusion a la Stevan Mirkovic [member of the League of Communists-Movement for Yugoslavia] the better, and the sooner we will be respected and esteemed by the whole world. Just like the others, who said what they wanted and had their countries recognized. [passage omitted]

[Stamatovic] At the joint session in Belgrade, you from the republic of Serbian Krajina are going to request the recognition of the republic of Serbian Krajina by the FRY.

[Paspalj] That initiative has existed for a long time. I think that the political moment is right. The invitation by the eminent Serbian and Yugoslav leadership means that all the cards are on the table, and there is no longer any need to hide anything. I think that tomorrow's gathering, considering that the representatives of Serbia,

Montenegro, and Yugoslavia will be there, could not be more suitable to recognize the republic of Serbian Krajina. We will ask for recognition as a state and as a people that has a state-forming and every other right. After recognition, Yugoslavia would gain the legitimacy to hold talks with Croatia on their mutual recognition, and we, as a state, would then consider recognizing those two newly-formed states. Then we will initiate interstate agreements on all economic, communications, and other issues based on interstate principles.

### German Foreign Minister Arrives in Zagreb

*LD1405091193 Hamburg DPA in German 0839 GMT 14 May 93*

[Text] Zagreb (DPA)—Federal Foreign Minister Klaus Kinkel arrived in Croatia for a short visit this morning. Immediately after his arrival in Zagreb Kinkel began talks with the Croatian President Franjo Tudjman. Observers expect, above all, that Kinkel will raise the issue of Zagreb's influence on the Bosnian Croats, who have been involved in heavy fighting with their supposed allies, the Muslims, in central Bosnia over the past few days. An exchange of opinions about developments of the conflict in the Balkans in general is also planned.

During his first visit to Croatia, the German foreign minister is planning this afternoon to familiarize himself with the work of the German humanitarian aid coordination office in Zagreb, which was set up by the German Foreign Ministry. The office has been supervising the distribution of relief supplies to Bosnian and Croatian refugees for almost a year. According to German diplomats, Germany has so far contributed public funds, private donations, food, and clothing to a value of nearly 1 billion German marks.

### Expert Groups Meet on Slovene, Croatian Borders

*AU1305081593 Zagreb VJESNIK in Serbo-Croatian 8 May 93 p 16 TEXT*

[HINA report: "According to the Agreement"]

[Text] Ljubljana—The third meeting of the Slovene and Croatian Expert Interdisciplinary Group for the Question of Borders took place in Ljubljana on Friday and the three-day work of the geographic groups for the determining of land registry borders was brought to an end.

In the statement signed by both sides, it was concluded that the media polemics harm the work of the expert commissions. Therefore, public statements that would make their work even more difficult should not be made. The mutual statement says that it is also necessary to sign, as soon as possible, the agreement on the founding of joint bodies and their field of activity in determining the borders between Slovenia and Croatia. The expert groups will try to come to an agreeable solution for the entire border.

Furthermore, the common statement concludes that the representatives from both countries mostly agree on the data they processed, and that all major aberrations will be checked again and corrected, while the new disagreements will be examined by the joint expert commissions. It was also stated that both governments should grant special funds for the work of the groups and for the work that is to be done on the borders.

The issue of the Bay of Piran was discussed on the basis of solutions that were officially suggested by both sides. It was announced that the next meeting should take place in Zagreb in June.

In the public statement given after the meeting, the head of the Croatian group, Vladimir Ibler, emphasized the harm of the "media dust raised over these talks, for they require demanding and thorough work." The expert groups will definitely reach an agreement, but they are not competent to make political decisions.

The head of the Slovene expert group Borut Bohte agreed to the fact that the atmosphere of the talks on Friday was good, saying that the Croatian side insisted that Croatia sign the agreement on establishing joint bodies for the marking of boundaries. He said he was pleased with the results reached by the geographic teams and added that they also talked about "the sea borders in the Bay of Piran and that the talks were based on the official views of both sides, i.e. on the memorandum by the Slovene Prime Minister Drnovsek and the official proposal from the Croatian side."

Asked about the border in the Bay of Piran, Vladimir Ibler said that both views were closely examined on Friday and that the coordination will continue in Zagreb. He emphasized that "the solid results are more important than the speed." According to Ibler, "determining the land registry borders is, due to the length of the Slovene and Croatian borderline, a hard and painstaking work and there can be no shortcuts."

The head of the Slovene group, Borut Bohte, added that the Slovene experts and the members of the interdisciplinary group have other tasks, too, and that is the reason why this work cannot go as fast as the public would want.

### Country's Role in Weapons Smuggling

*93BA0992A Belgrade VOJSKA in Serbo-Croatian 8 Apr 93 pp 44-45*

[Article by Cedomir Popovic: "Dangerous Cargoes Traveling Through Sibenik"]

[Text] The FRY Government has on several occasions apprised the UN Security Council of the frequent violations of the embargo against imports of arms into Croatia, Bosnia and Herzegovina [B-H], and Slovenia. In spite of the general and complete ban on all deliveries of arms and military equipment established by the well-known Resolution 713 of the UN Security Council on 25

September 1991, the illegal importation of arms is continuing into Croatia, Slovenia, and Bosnia and Herzegovina. Although all of this can only fan still further the flames of the present hotbed of war on the territory of the former Yugoslavia, the principal international factors have been passing over this in silence and are blaming everything on only one side, the Serbs in Croatia and Bosnia and Herzegovina and the FRY.

**A Shipment of 32 kg of Plutonium**

However, Croatia is going even a step further. In the most recent letter sent not long ago to the chairman of the UN Security Council, the FRY Government wanted to call attention to reliable information it possesses revealing the important role and involvement of Croatia in smuggling militarily significant nuclear technologies and materials. It can be said with confidence that Croatia has in the last two years become a main link in an international network concentrating on smuggling nuclear materials from East Europe to the Middle East and to Africa. Its role in these operations consists of providing storage facilities for nuclear materials and obtaining false documents, which makes their subsequent transportation easier.

The violation of the embargo is indicated by the following facts and precise evidence. Back in late 1991, there was an international network in operation to smuggle technology for nuclear weapons and nuclear materials, and one of the organizers of the network was Rita Dracksler, a German woman, and a certain Marjan Sokolovic. They were also the chief suppliers of arms to Croatia and Slovenia. They made a transfer of Stinger and Milan missiles worth $60 million from Germany to Croatia and handled several deals related to the exporting of weapons (about 50 tons) from Poland to Croatia.

By way of making repayment for the arms received, Croatia helped in smuggling nuclear materials (uranium and plutonium). Its role in those operations consisted of providing temporary and safe storage facilities for the safekeeping of those materials and the acquisition of false documents. This Marjan Sokolovic arranged for that purpose the necessary storage facilities and installations in Sibenik. It is from there that the nuclear components and substances are carried further to destinations in the Middle East.

In October 1991, the Italian police in Como blocked the delivery of certain nuclear materials through that network. However, it is still managing to deliver large quantities of plutonium and uranium to Sibenik. This Marjan Sokolovic, whose role in these deals was discovered during the action in Como, was arrested in November 1991 in Vienna while traveling to Croatia, and on that occasion 2.8 kg of plutonium were found on him. Nevertheless, he was released in February 1992 and returned to his "job."

The next large lot of 32 kg of plutonium, which was organized by Rita Dracksler, was stopped by the Italian police on 4 January 1992. The shipment from the Ukraine via Austria and Italy was supposed to be delivered to the storage facility in Sibenik before being taken by an Arab customer. Rita Dracksler escaped arrest by fleeing to Germany.

There is reliable information that this network not only continued its work in 1992, but was even expanding its activity. The services offered by Croatia and the convenience of the storage facility in Sibenik have a key role in all of this.

**Suitcase Traveling to the Middle East**

Even the well-known Anton Kikas, a Croat with a Canadian passport, began an operation of illegal purchasing of weapons for Croatia in 1991. That is, he went into business with Croatian and German arms dealers that had to do with smuggling conventional weapons and nuclear materials. Croatia's task was again to provide storage facilities and false documents for highly sensitive shipments from East Europe to Africa.

During 1991, the charter air carrier UAC, which Anton Kikas registered in Uganda, undertook several flights whose purpose was to carry arms between South Africa and Croatia via Ethiopia. Likewise between Sofia and certain other East European cities and Zagreb. On 30 August 1991, members of the Yugoslav Air Force intercepted a Boeing 707 of the UAC company en route to Zagreb and found in it fairly large quantities of weapons and ammunition.

In return, South Africa will receive sophisticated military technology and other sensitive systems, especially nuclear technology, up-to-date aerospace technology, electronics, and new materials from German dealers located in Germany. The Rudjer Boskovic Institute in Zagreb is responsible for the nuclear part of the deal. Hrvoje Sarinic, a close collaborator of Franjo Tudjman, superintended this exchange with South Africa.

Some of the packages, which were also organized by Anton Kikas, and which contained arms and ammunition produced in Poland, intended for Croatia, were seized by the German police in Regensburg in December 1991. Nevertheless, the smuggling ring continued its work in 1992 as well.

The next case has to do with a suitcase which in June 1992 was confiscated by the Austrian police and which contained various radioactive samples and was en route to Croatia, whence it was to be shipped to the ultimate customer in the Middle East.

**Nuclear Waste for the Serbs**

Finally, we should mention that Croatia recently published a book entitled *Izbor mesta za skladista radioaktivnog otpada u Republici Hrvatskoj* (*Choice of Sites for Nuclear Waste Dumps in the Republic of Croatia*) so that it might be evaluated at an international symposium in Tucson, United States. Nuclear waste is to be stored at

sites in western Slavonia, Banija, and Kordun. Those areas, which would be the most threatened, are settled primarily with Serbs. Because they are on the watersheds of the Drava, Sava, and Danube, the nuclear waste will represent a great danger for the FRY, Hungary, Romania, and Bulgaria as well.

The basic purpose of the entire undertaking is actually to disguise the role which Croatia has in providing such storage facilities on its territory for the smuggling of nuclear materials.

### General's Assessment of 'Maslenica Operation'

*93BA0954D Zagreb VJESNIK in Serbo-Croatian 16 Apr 93 p 31*

[Interview with Deputy Minister of Defense Brig. Gen. Slobodan Praljak, by Dubravko Merlic on the show "Image on Image," broadcast on 14 Apr 93: "'We Need Patience and Optimism'"]

[Text] Other countries that are now looking at us from on high also achieved their independence through hard and bloody struggle, so that there is no reason to doubt that we too will succeed in this. That is why no one has the right to destroy optimism like the kind that Churchill instilled in the English nation when there seemed to be absolutely no prospects for victory, said Slobodan Praljak.

Due to the appearance the night before by Prof. Radovan Pavic, the guest on Wednesday evening's broadcast of "Image on Image" was Brig. Gen. Slobodan Praljak, the deputy minister of defense of the Republic of Croatia. Once again, the host of the broadcast was Dubravko Merlic.

[Merlic] What do you think about that broadcast and about the viewpoints expressed on it?

[Praljak] It would be hard to analyze it sentence by sentence without Mr. Pavic, that would be neither nice nor proper. Many such judgments can be formed. I would criticize the broadcast for a little too much pessimism, which is perhaps not a good thing in the current psychological state of the nation's spirit. But we can agree with some of his very well-expressed theories about how national unity is necessary, and how we are on the right path.

[Merlic] One of the things that we discussed yesterday was "Operation Maslenica." Did we need that, in your opinion—and you are representing the Ministry of Defense here—and why?

[Praljak] Yes. In January of last year Croatia signed an agreement with the UN Security Council, and the third party to that agreement with the then-Socialist Republic of Yugoslavia, which still existed as a political-legal entity. That agreement clearly defined how things were to happen, under the famous Vance plan, which states precisely that war operations must be halted, that the Yugoslav army must withdraw from the Republic of Croatia, that afterward the paramilitary Serb forces must be disarmed, that heavy weaponry and other arms must be placed under the control of UNPROFOR [UN Protection Force], that refugees must return, that the civilian authority of the Republic of Croatia must be established in the UNPA [UN Protected Area] based on principles of the proportion of the nations that lived there before the war.

UNPROFOR was given a mandate, but not the authority to carry it out. The Serbs continued their endless game of tricks, lies, that is their policy, the policy of a fascistic regime. The endless Croatian patience yielded little fruit. Any serious person knows quite well that at that moment we did not have enough strength to do all this without assistance, that this would cost us an even more ghastly number of young lives, even greater devastation, and that we would not have been recognized. At the time, Yugoslavia still enjoyed international confidence, and Croatia still had to prove itself. At one point, however, Croatia had to show that it would not endlessly endure the ineffectiveness of UNPROFOR. This was especially delicate in the Dalmatian region. Through one well-executed military campaign, we showed that we do not agree and that we will not endlessly endure UNPROFOR ineffectiveness. People often ask, "Well, why did you not force them all the way out?" However, international political games are very complex, and morality plays a small role in all these judgments. In other words, we had signed an agreement that we would not attack, and the campaign was at our risk, so that we could say to both our people and our armed forces that we can do this, that we have a backbone. But if we had gone too far, if we had moved a little further, we would have been slapped with international sanctions. Let everyone understand what such sanctions would mean for Croatia.

[Merlic] It is a fact, moreover, that "Operation Maslenica" gave rise to Resolution 815. Do you agree?

[Praljak] That is correct. Resolution 815 was the first time, and this must be stressed over and over, that it was stated clearly and aloud in the UN Security Council that the UNPA is an integral part of the Republic of Croatia, that there is no borderland republic whatsoever. There are UNPA zones, and thus areas of the Republic of Croatia still under occupation that are an integral part of the Republic of Croatia. Specifically, all previous resolutions contain the famous clause about how borders cannot be altered by force. But they can be altered by a peace treaty, and there have been plenty of countries that have tried to do so. This resolution removes that option from the agenda, completely and forever. And what better and more reasonable way than to withdraw the armed forces and let UNPROFOR control that territory until the establishment of the civilian authority of the Republic of Croatia in the proportions of the population that lived there before, and the population there was 90 percent Croat? Our boys will not die or freeze, and the three main points with which they were extorting us remain in Croatian hands, as well as everything else. I see no reason for all of us not to regard this as our success. In

other words, the road to complete control over all our territories is harder than people want it to be. Nevertheless, things are getting better with each passing day.

[Merlic] Tell me one more thing. We can say now that we are at war. Do you agree with that?

[Praljak] Look, that is hard to say, a problem cannot always be defined in black or white. We are at war, because people are firing at Sibenik and Zadar, but nevertheless we are not in a war in which all of our potential should be used and in which war should be waged in all areas. Let us say that these are processes for moving from war to peace, in which there is a combination of the entirety of diplomatic activity, the activity of the leadership, of the government, the Assembly, and all those people who know just how difficult a job this is.

[Merlic] Is there a state in the recent past that has been in a similar situation, and can we learn anything from such situations?

[Praljak] I always wanted to say that the state is not a chicken coop and it cannot be created in one night. When you think about how many other countries have waged a bloody struggle for their independence, how in fact independence was won by those countries that are now so closely watching us from on high, France and Germany, how many wars they fought against each other, how much they killed and slaughtered each other, that was no less horrible than what is happening here. This shows that we actually must withstand this Calvary and Gloria. I contend that the Croat nation has the strength—political, military, and human—to do this. Here and there it happens that certain social groups become worn out, the people are having a hard time. In such situations, the nation does not lie to itself, its courage is lifted. You cannot say everything, one has to be diplomatic because there are times when one must withhold information, and there are times when something stops us, etc. Still, even Churchill had no reason whatsoever for optimism, because Hitler had actually brought England to its knees, but unlike other sensible people in England he possessed endless optimism that such forces of evil, forces of hell could not emerge victorious. That is why he said: We will fight on the sea, in the air, on the beaches, in our streets, and we will win. Right now we have enough strength and political wisdom to make it through all this. That is the nation's historic challenge, but a nation cannot prove itself on the stage of history if it starts to break down and fall into some sort of depression, to complain and weep, after a year and a half of war. We have no right to do that, because of the people and young men who have died, because of the endless number of people who have died for Croatia throughout history.

We are obligated to fight patiently from day to day, to harness all our national energy and not to dig up our wounds in the way that is being done, not to quarrel endlessly, not to analyze things in bars, not to hide and then ask when the generals will lead the way, etc. That is not a knock against democracy, but simply means that there is a big difference between democracy and stupidity. Democracy is one thing, but stupidity that destroys national unity in questions of war, in questions of the creation of a state, is another thing. That is a problem of certain types of political games, while this is a national task, whereby there has never been any democracy anywhere in the world that would allow someone to destroy the optimism like the kind that Churchill instilled in the English nation when there seemed to be absolutely no prospects for victory. Yes, there are problems, but who then created all of them if not the tens and hundreds of thousands of Croats who support this and fight for it and who do not prattle on and quibble endlessly about some type of fatalism, catastrophism, pessimism. It will not go quickly and easily, but all indications are that we have every right to have very realistic and great optimism that things will nevertheless turn out as Croatia wants in a relatively short time.

## Pessimistic Viewpoint on Geneva Agreement

*93BA0954C Zagreb VJESNIK in Serbo-Croatian 16 Apr 93 p 18*

[Unattributed HINA article: "Croatia Has No Support for Military Action"]

[Text] The Geneva agreement is more favorable to the Serbs than to Croatia and will probably not be implemented, given the fact that it does not correspond to a single goal of Greater Serbian policy; it is more a reflection of the desire of the "big world" to effect the return of Russia to the world stage than of its concern for Croatia and Bosnia-Herzegovina [B-H]. Nevertheless, Croatia had to sign the agreement, because it proclaims a peaceful solution and speaks of UNPROFOR [UN Protection Force] at the borders of the UNPA [UN Protected Area], not at the borders of some Serb entities and Croatia, said Prof. Pavic.

Geopolitician Prof. Dr. Radovan Pavic was the guest on Tuesday evening's broadcast of "Image to Image," where he spoke of the positive and negative sides of the Geneva agreement.

Commenting on the signing of the Geneva agreement, Prof. Pavic said that interest in it has waned and that nothing from the agreement will be implemented, but that it is important that Croatia signed it. Viewing matters through, as he put it, an "inverted lens," Prof. Pavic described the effect of the sanctions imposed on Serbia and Montenegro and pointed out that Serbia still has the Danube, while the blockade on the Adriatic Sea acts against Croatia and Bosnia-Herzegovina. The intention of the Western powers, Prof. Pavic continued, is to save Serbia, which in their opinion should not emerge from this war defeated. He added that the "big world" is not resolving the issue of Croatia and B-H; rather, in the probable new Cold War era it is resolving the issue of relations between Serbia and Russia. "The question of

who will have their foothold in the sort of geopolitical position that the Balkans represent is not inconsequential, and Serbia will turn in that direction. Thus, the world is resolving the issue of Russia, of its reemergence on the world stage, while all of this other stuff is minor and superfluous," said Prof. Dr. Radovan Pavic.

When asked by the editor of the broadcast, Dubravko Merlic, about the embargo on the import of arms, Prof. Pavic said that Croatia still has no international support for any action of a military nature, so that the lifting of the embargo can be discussed in this context.

**"Peaceful Solution Is a Measure of the Situation"**

Speaking at length about the Geneva agreement, Prof. Pavic emphasized that the spirit of the agreement is "hostile" toward Croatia, which he showed by citing the first point of the agreement, which discusses hostile Croatian activities, while the Serbs only have to abide by the agreement. He also mentioned the naivete present in the agreement, citing as an example the part stating that both sides will endeavor to comply with the Vance plan. He added that the Serbs will simply insist on UNPROFOR staying to protect their military gains. The positive aspects of the Geneva agreement, in Prof. Pavic's opinion, are first of all the fact that the agreement affirms a peaceful solution, and "that is a measure of the situation." In addition, Croatia has occupied part of the "pink zone." When the Croatian armed forces withdraw from those regions, UNPROFOR forces will come to the border of not only the pink zone, but also the UNPA, which denies the existence of a potential border between some Serb entity and Croatia. Another positive aspect emphasized by Dr. Pavic is the fact that the Vance plan will be implemented, although he warns that the Vance plan does not resolve the issue of the restoration of Croatian authority in the UNPA; rather, it is only the first step in resolving this problem.

The negative aspects of the agreement, Prof. Pavic then explained, are the fact that the Geneva agreement is "totally out of balance." He clarified this by saying that new things are always demanded of Croatia—withdrawal, and that it return that which UNPROFOR was supposed to return to it a year ago—while nothing is demanded of the Serbs, since the demand that they return their weapons is nothing new. He hopes that Geneva mediators Ahrens and Okun will not demand that Croatia implement Point 1 of the agreement, because that point requires that the Croatian armed forces withdraw from all territories that border on areas under UN protection. This would mean, Prof. Pavic explained with the help of a map, that in some regions the Croatian armed forces would have to withdraw from sovereign territory of the Republic of Croatia. The question of Serb weaponry is also unfavorable to Croatia, Pavic continued. The Serbs will not return all weapons, the corridor to Serbia is still functioning, and in this way they are being supplied with new weapons. The third unfavorable aspect is the fact that despite past experience with UNPROFOR, it will continue to guard weapons in the UNPA.

Prof. Pavic also pointed out several illogical points of the Geneva agreement. For example, talks on the restoration of Croatian authority will begin after a given date, "but the illogic lies in the following: First you remove Croatian authority and then negotiate to restore it." Prof. Pavic also cited gains for Croatia, but stressed that these involve "yes, but..." points. Statements by international factors to the effect that Croatia will be supported in resolving the situation in the UNPA in accordance with its aspirations were issued at a press conference, but were not put on paper in the agreement.

Pavic noted that Geneva is not the right place for a valid agreement, because the right place is the Security Council. Noting the reason that the Serbs joined in the Geneva process, he emphasized that the Serbs are using every opportunity to deny Croatian authority (the withdrawal of the Croatian armed forces from the captured territories) and that given past experience they feel that they will be able to take the weapons left in the zones under UN protection and pass by UN forces undisturbed. Prof. Pavic also warned that it remains to be seen whether the authentic political will exists to resolve this, something that will become evident if Ghali sends the announced additional 2,000 UN soldiers to Sector South of the UNPA alone.

Discussing conditions in the field, Prof. Radovan Pavic emphasized that a form of total war is already going on in the Zadar-Sibenik region, the goal of which is to drive Croatia crazy, after which it will agree to any compromise. Using a map, Prof. Pavic explained that the Serb military goals are to cut off communication and sow discontent in the severed Dalmatian region that is affected by the war.

Presenting his assessment of what is being prepared for Croatia, Prof. Pavic said that Croatia will be subjected to two types of pressure. In his opinion, there are still strong forces in the world today advocating the creation of a third Yugoslavia, which would have to include Croatia. The second type of pressure would relate to efforts to make Croatia give the Serb regions a status that would approximate a high level of political autonomy or even federalization, despite everything that Croatia has done thus far to resolve the question of special Serb status.

**Greater Serbian Goals**

Commenting on the known possibility of a war option, Pavic warned that this option must be examined more cautiously. He stressed that in that case Croatia would be accused of aggression, and then he showed on the map (of Zadar and its hinterland) why this actually is not aggression. However, Croatia has no international support, and without that it makes no sense to resort to that option. In that context, he mentioned the arms embargo and noted that the "embargo is actually a message: 'You Croats do not even have the right to defend yourselves.'"

The third reason for a nonwar option lies in the fact that the adversary is stronger than we are. Finally, Prof. Pavic mentioned the Maslenica campaign, noting that it was a successful campaign, but only a detail, and that things would be different if the enemy were again to launch a synchronized, total war on all fronts.

Explaining his assertion that nothing will come of implementation of the UN resolution, Pavic cited the "four most important Greater Serbian goals: 1) the creation of a 'New Serbia'; 2) the struggle for an outlet on the sea—in the Sibenik-Zadar area and in Prevlaka; 3) connecting 'New Serbia' with the 'mother state' by a corridor through the Bosnian Sava basin; and 4) the liquidation of the Islamic zone in the Drina basin."

In conclusion, Prof. Pavic warned that Croatia is currently divided into what it was and is in the war and what it was not. He predicted that a gulf and tensions would emerge between them, and that there could even be hostilities in this regard, at a moment when Croatia is undergoing an historic test—when compromises and pressures should be resisted (a third Yugoslavia, the federalization of Croatia). He emphasized that the most important thing is the answer to the question, "Is Croatia capable of gaining peace?"

## Authorities Close Medjimurje TV Station

*93BA0954B Zagreb VJESNIK in Serbo-Croatian 16 Apr 93 p 2*

[Report by D.O.: "TV Medjimurje Shut Down"]

[Text] Cakovec—No small amount of commotion was generated in Cakovec and Medjimurje by the action carried out on Wednesday afternoon by Dipl.-Eng. Miroslav Beluzic, the top state inspector for telecommunications at the Ministry of Trade and Communication of the Republic of Croatia, with police assistance. Specifically, he shut down the transmitter equipment at Television Medjimurje, as well as the equipment at Radio Nedelisce (owned by Enver Muminovic), and reduced the transmitting strength of Croatian Radio Cakovec.

Television Medjimurje was founded by the companies "Medjimurje" d.d., "Media" d.d., Croatian Radio Cakovec, and "Muravizija" d.o.o. from Mursko Sredisce. Major monetary resources were invested in the procurement and installation of equipment to broadcast programs, as well as facilities for producing programs. Using the transmitter on Mohokos, the highest point in the Medjimurje region, TV Medjimurje experimented with retransmitting the television program from RTL2. According to Mladen Saric, the chief editor of TV Medjimurje, the station planned to broadcast its own program beginning on 2 May.

TV Medjimurje requested from the authorities a frequency for transmitting a TV signal back on 24 March. This is the only local TV station that requested a frequency, but also the only one whose facilities have been shut down. In contrast, Radio Nedelisce broadcast its program without the required permission and agreement. Specifically, the former Executive Council of the Cakovec Opstina Assembly postponed the adoption of a decision on the use of one of two frequencies since both at the time were assigned to Croatian Radio Cakovec.

## Serb-Croat Relations in Zadar Hinterland Viewed

*93BA0942C Zagreb DANAS in Serbo-Croatian 16 Apr 93 pp 5-8*

[Article by Marko Barisic: "Bridge Is Being Built After All"]

[Text] *The construction of the bridge at Maslenica is continuing under UNPROFOR [UN Protection Force] protection. Will this be the erection of a Croat Shkoder over the Bojana? [Reference to epic poem about impossible futile task]*

The latest Security Council resolutions (802 and 815) and especially the Geneva agreement on the implementation of Resolution 802 between the government of the Republic of Croatia and the local Serb authorities, as the signers are defined in the agreement, according to which the Croatian Armed Forces must withdraw from the territory liberated through "Operation Maslenica," has with good reason provoked plenty of alarm, challenges, and even explicit opposition both among the public and in state structures. There have been only rare attempts to look into the essence of the agreement, to analyze its good and bad sides, to point out alternatives, or even to find out the details about what will happen in the region in question. Thus, what will life be like in the Zadar hinterland: Will a Serb policeman from Knin again be able to freely enter the town of Crno, which is a kilometer from the center of Zadar, and where they held court in bunkers for about a year, until the campaign of 22 January?

Before dissecting the agreement and its consequences, we must first respond to the question that is most often posed by the public: "Why did the Croatian Armed Forces not enter Benkovac and Obrovac, especially since Obrovac was reportedly deserted?" Obrovac was in fact deserted, abandoned even by Serb soldiers and civilians, and the Croatian Armed Forces were within reach, near the well-known Aluminum Combine. Thus, the Croatian Armed Forces could have entered Obrovac, and perhaps could have occupied Benkovac and gotten close to Knin. They stopped because 30,000 soldiers of the Armed Forces of Yugoslavia, with tanks and artillery, crossed the Danube on military pontoon bridges and entered the occupied territories of eastern Slavonia and Baranja, thus into the UNPA [United Nations Protected Area] East. Similar forces set out in the direction of Okucani and Banija, and naturally in the direction of Knin as well. Serbia was ready to begin a new Croatian-Serbian war, this time a total war, whereby the political culprit this time would be Croatia, because it had violated the existing peace through its "Operation Maslenica." Thus, if it were the political culprit, Croatia would also

be subjected to political judgment, which was already prepared in the form of sanctions. The Croatian Armed Forces stopped, sanctions were not imposed, but the threat of them remained. By accepting the implementation of Resolution 802 in Geneva, Croatia eliminated that threat and eliminated the baggage that would have seriously aggravated its position in international relations.

It must be noted that the positions of Croatia and Serbia are not the same. The Croatian campaign on its own territory was condemned by Boutros Ghali that same day, and a resolution came through in two days. Serbia, however, devastates Cerska, kills Srebrenica, sends 30,000 soldiers into Croatian territory in eastern Slavonia in front of the very eyes of UNPROFOR, and nothing happens to it. Thus, the problem is not the value of one or another diplomatic approach, but rather the international position of one or another state and who their protectors are.

**Whose Police**

The agreement states (in Point 2) that the "armed forces of the Republic of Croatia shall begin returning to the lines of conflict that existed before the outbreak of hostilities on 22 January 1993," which means that the Croatian Armed Forces will withdraw, but under the condition, as the continuation of Point 2 of the agreement states, that "no armed forces of the Serb local authorities shall enter any territory from which the armed forces of the Croatian Government have withdrawn." Thus, there is no provision for any formations of armed Serbs whatsoever returning to this territory. This is also confirmed by the annex to the agreement, which is actually a "statement by the secretary general of the UN Security Council," which states, among other things, that "both sides have offered their assurances to the co-chairmen of the Steering Committee of the International Conference on the Former Yugoslavia (Vance and Owen, ed.) that neither of them will station any police within any territory..." from which the Croatian Armed Forces are withdrawing and that "in the transition period UNPROFOR... shall exclusively perform all police duties in those territories." Thus, there is no fear that Serbs could enter this territory after implementation of the agreement; in fact, Croats would be more likely to do so, because that territory was predominantly inhabited by Croats (around 90 percent). Point 6 of the agreement states that "before that territory is evacuated by the armed forces of the Croatian Government," UNPROFOR must "reestablish and consolidate its military and police activities..." in order that it can perform its duties, and in pursuance of that "the sides shall ask the United Nations to strengthen the UNPROFOR forces so that they can perform their duties from the Vance plan." This has already been done. Boutros Ghali has already adopted a decision to send 2,000 members of UNPROFOR to that territory.

Thus, if the Serbs accept the agreement, the "blue helmets" will be sovereign in that territory. They will be both the military and the police, and are responsible for reestablishing all possible forms of life and for returning exiles. This means that post offices, schools, health facilities, fire departments, local offices, banks, charitable organizations, and movie theaters will open, while the local police will be set up according to the 1991 census. UNPROFOR has the exclusive right to recruit local police, on the basis of one policeman per 500 residents in urban areas and one per 200 residents in small towns. That means that in a Croatian town with 2,000 residents there will be 10 policemen of Croat nationality, and in a town with 10,000 residents of Serb nationality there will be 10 policemen of that nationality [as published]. They will all be in UN uniforms and wear the symbols of that organization. That is the first phase. In the second phase, the same policemen will be in Croatian uniforms with the Croatian coat of arms, and that means Croats and Serbs alike. If the Serb side objects to the selection of policemen or any other UNPROFOR decision in this area, the dispute will be resolved according to international law. And under international law the only legal subject in this territory is the Republic of Croatia. The Vance plan discusses the gradual return of UNPA territory to Croatian sovereignty, and that is affirmed in Resolution 815, where it is stated that "the UNPA areas in Croatia are an integral part of the territory of the Republic of Croatia." That is an essential shift, because in its previous resolutions the United Nations has always concerned itself with protecting the Serb minority, but now, and this will continue to be the case, there is no talk of that and the return of Croatian sovereignty to that territory has become the basic problem.

Even during the first phase, Croatian money will be used in post offices, regardless of the national composition of individual towns and villages, telephones will be hooked up to the Croatian postal system, charitable organizations will be Croatian, etc. That is the reason that the Serbs first signed this agreement, but then shortly thereafter said that it becomes valid only after it is approved by the so-called Krajina assembly, and then postponed the convening of that assembly twice, thus trying to postpone implementation of the agreement and not to accept it. Despite the initial distrust, the Geneva agreement is favorable to the Croats and unmistakably unfavorable to the Serbs, even though the Croatian Armed Forces are withdrawing. The Serbs did not succeed in using this agreement to effect a return to the situation in these territories before 22 January. It is true that the Croats did not succeed in their effort to have Croatian police in these territories, but UNPROFOR is responsible for establishing Croatian sovereignty in the temporarily occupied territories, thus including the territory liberated through "Operation Maslenica." The agreement is so unfavorable for the rebel Serbs for another reason as well, one that is so strong that it can actually be concluded that they will not ratify it and allow it to be implemented: By transferring all authority to

UNPROFOR and prohibiting armed Serbs from entering this territory, it definitively blocks their access to the sea.

Moreover, the agreement states that "...the other decisions of the Vance plan and of all relevant resolutions of the Security Council, including Resolution 762, shall be implemented without delay...." The most important thing in Resolution 762 is the return of the so-called pink zones to Croatian authority. Belgrade's MEDJUNARODNA POLITIKA writes this about the content of that resolution: "The basic joint commission of representatives of the government of the Republic of Croatia and of the local authorities in the region would be under UNPROFOR chairmanship, with the participation of observers from the EC Commission, which would monitor the process of restoring authority to the 'pink zones' by Croatia," and "before the establishment of Croatian authority in the 'pink zones,' the Croatian Government shall issue a general amnesty applying to events associated with the conflict, which would contribute to the creation of an atmosphere of trust in which displaced persons could return to their homes." To MEDJUNARODNA POLITIKA, the so-called pink zones are "territories that were placed under UNPROFOR protection and in which there lives a mixed Serb and Croat population." That is not accurate, however. Croats are a majority of the population in the pink zones. But Resolution 762, under which Croatian authority is to be established in the pink zones, is important because the territory liberated in "Operation Maslenica"—i.e., the territory covered by Resolution 802—is excluded from both "pink" and UNPA zones, and is special territory, which is very important. Because even if the Serbs were to agree to the return of Croatian authority to the "pink zones" at the negotiations that begin on 26 April, which the Serb side has in fact offered to the Croat side, the town of Maslenica is in the UNPA zone and the next-door neighbors of the bridge builders would be Serb policemen in "Krajinan" uniforms. In that case, the bridge could not be built, because whatever was built during the day would be destroyed by the neighbors at night. It would be the erection of Shkoder on the Bojana.

**Answer in Resolution**

Also essential to this problem are Resolution 769, which specifies that in the first phase UNPROFOR forces be positioned at the international borders between Croatia and Serbia and between Croatia and B-H [Bosnia-Herzegovina], and Resolution 807, which extended the mandate of UN forces for three months, but also recognized Croatian sovereignty in the entire territory, because it requires that besides "preserving peace in Croatia" the "UNPROFOR forces collect and neutralize heavy weaponry...." There is no mention in the resolutions and official UN documents of either the Serbs or their para-state creation.

As for Croatia, it signed the agreement, accepts it, and intends to implement it under the conditions of Point 3 of the agreement: "...together with the withdrawal of the armed forces of the Croatian Government... all heavy weaponry (of the Serbs, ed.) shall be placed under UNPROFOR supervision in accordance with the Vance plan." In this way Croatia has averted the consequences of Resolution 802, possible economic sanctions and the charge that it was responsible for the further failure to implement the Vance plan and other resolutions.

**Far From the Sea**

If the Serbs do not accept Resolution 802, then it really ceases to exist for Croatia as well. Both the Croatian Armed Forces and the Croatian police can remain in this liberated territory. According to this interpretation, it would be better for Croatia if the Serbs did not accept the agreement, and in that case one could conclude that signing it was a good tactical and diplomatic move.

Then it would be possible to complete what was left undone in the 22 January campaign. Specifically, at that time the objective was to liberate the territory around the Maslenica Bridge, Zemunik Airport, and Peruca Dam, as well as other territory around Zadar and Biograd only to the extent deemed adequate, through military assessment, for them to be out of mortar range. It did not, and could not, go any further because it was assumed that after the signing of a cease-fire and the ratification of this Geneva agreement the artillery that currently threatens those cities and structures would be returned to the control of the UN forces. If the Serbs do not accept the agreement, depending on the balance of power, it could happen that Croatia liberates enough territory for these cities and structures to be out of artillery range. Even if the agreement is implemented, those who say that nothing was achieved through "Operation Maslenica" are wrong. Because the Krajinan police were at Maslenica, at Zemunik, at Peruca, and in Crno (a suburb of Zadar), while now, in any event, they are much, much further away. Very far away from the sea, which is essential to their lives. If they want to return, they will be preceded by Croat policemen—albeit as part of the UNPROFOR forces—in individual towns and villages according to proportional representation.

The national composition of the territory covered by Resolution 802 is as follows: Only Smokovic, Zemunik Gornji, Islam Grcki, and Kasic have a Serb majority; all other settlements are predominantly Croat, which, expressed in percentages, converts to a ratio of 90 percent Croat and 10 percent Serb. Accordingly, that will be the composition of the police. Construction work at Maslenica is being done by Croatian enterprises. Thus far, they have been protected by Croatian police, but in the future UNPROFOR will do this. After all, one of the points from the previous agreements was the responsibility of UN forces to ensure the construction of the bridge at Maslenica.

It has been raining lately at Maslenica, which has considerably impeded the construction crews doing preparatory work on building the new four-lane bridge, as well as preparations for the construction of a pontoon bridge

that would handle traffic that is currently going through Pag. Bomb shelters are also being built for the workers, just in case. In any event, "Operation Maslenica" and the Geneva agreement have made it possible to build the bridge regardless of the current or future Serb will to negotiate. Whether they will accept war by launching a "New Serbia" project or whether they will seek another, peaceful solution is beyond the scope of Croatian politics. The only thing that it can do is pursue its own program within the context of the strength and power at its disposal, and step by step, action by action, return sovereignty to the entire territory of the state, cooperating in this with international institutions. War remains a last resort.

## Federal

### Pan-Serb Assembly Opens, To Require 50 Percent Quorum

*LD1405100993 Belgrade TANJUG Domestic Service in Serbo-Croatian 0855 GMT 14 May 93*

[Text] Belgrade, 14 May (TANJUG)—Participants in today's joint meeting of deputies to the five parliaments—the assembly of both chambers of the Federal Parliament, and the Assemblies of Serbia, Montenegro, the republic of Serbian Krajina, and the Serbian republic of Bosnia-Herzegovina—have been presented with a draft code of practice. At their joint session in the Sava Center today, the deputies to the five parliaments will discuss a draft resolution on the peace plan for putting an end to the civil war in the former Bosnia-Herzegovina.

At the beginning of the session, scheduled for about 1100, the deputies are expected to adopt a "code of practice" regarding the work of the "joint session," as this meeting is officially termed.

The draft code of practice for "the joint session" has been drawn up by a working Presidency, including Radoman Bozovic and Milos Radulovic, presidents of the Chamber of Citizens and the Chamber of Republics of the Federal Assembly respectively.

According to one of the provisions laid down in the draft code of practice, proceedings at the joint session can be regarded as valid if over half the total number of all deputies to the five parliaments are present.

Decisions at the joint session, it is proposed, should be taken by acclamation. The draft code of practice will be adopted if a majority of the deputies present there vote for it.

At the joint session only a president or a representative of a deputies' group can take part in its proceedings, while their addresses are limited to 10 minutes.

### Cosic Says Vance-Owen Changes Required for Acceptance

*LD1305184793 Belgrade TANJUG in English 1631 GMT 13 May 93*

[Text] Belgrade, May 13 (TANJUG)—There is not much chance the Vance-Owen plan will be accepted if its creators do not make modifications, President of the Federal Republic of Yugoslavia (F.R.Y) Dobrica Cosic told European Parliament member Bryan Simpson in Belgrade on Thursday [13 May].

Simpson said he had come to the F.R.Y. to learn as much as he could about the extremely complicated situation in the former Yugoslav Republic of Bosnia-Herzegovina. He assessed that the world should equally treat all the three warring sides and should not blame only one party for the Bosnian civil war.

Cosic pointed out the mistakes of the international community, which has been ignoring the interests of the Serbian people—since all nations of the former Yugoslavia but the Serbs had the right to self-determination.

The European Community has made a historical mistake by recognizing the internal borders of the former Yugoslavia as state and ethnic borders and this could prove fatal to southeastern Europe, Cosic said.

Cosic noted that the first mistake was the recognition of Bosnia-Herzegovina as a state, since it has never been a state and would not be able to easily exist on the basis of the administrative structure favoring Croatian interests.

The E.C. made another mistake—Bosnia-Herzegovina could have existed only as a confederation of its three constituent nations, Cosic said.

By disregarding realities in Bosnia-Herzegovina, the E.C. made the third mistake and not by accident—the international community has qualified an interethnic, religious and civil war as Serbia's aggression, Cosic said.

Cosic assessed that such mistakes were unprecedented in modern history. Nine months had to pass, hundreds of thousands of people had to die and half of Bosnia had to be razed before the U.S. President shyly informed his people that a civil war was in question. Not one European statesman has qualified the Bosnian conflict followed suit—all of them continue talking of Serbian imperialism and the alleged creation of a "greater Serbia", Cosic said.

Cosic critically reviewed the policies of governments, which rely on journalist and TV reports. Brutality, punishment, missiles, intentions to punish a whole nation lie behind the world's lack of knowledge and half-truths, Cosic concluded.

### Cosic Promises Minorities Improved Status

*LD1305161193 Belgrade TANJUG in English 1503 GMT 13 May 93*

[Text] Belgrade, May 13 (TANJUG)—During his meeting with a delegation of the Association of Ethnic Romanians living in the Federal Republic of Yugoslavia (F.R.Y.), F.R.Y. President Dobrica Cosic said that work was under way on a bill which would improve the status of national minorities.

The new law on elections will also take into account the status of the minorities, so that they can be represented in the country's parliamentary affairs, Cosic said.

The delegation of Yugoslavia's 50,000-strong ethnic Romanian minority, headed by the Association's president Pavel Gaetan, said it was satisfied with their talk with Cosic and that this was the first time in decades that the ethnic Romanians had been received by the Yugoslav president.

The delegation underscored the ethnic Romanians' loyalty to the state they live in and informed cosic of some of the problems the Romanian minority was encountering, above all in the fields of schooling and publishing in Romanian, which have been struck by the economic crisis.

The delegation said ethnic Romanians had no representative in the parliament of Serbia's northern province of Vojvodina. Apart from the ethnic Romanian minority, a large number of members of other national minorities live in Vojvodina.

Cosic said that the Romanian national minority had always represented a bridge of cooperation between Yugoslavia and neighboring Romania. He said he would discuss the ethnic Romanians' status at his meeting with Romanian President Ion Iliescu on May 19.

## Deepening Rift in Serbian Renewal Movement

*93BA0991B Belgrade NIN in Serbo-Croatian 23 Apr 93 pp 22-23*

[Article by Svetlana Djurdjevic-Lukic based on interview with Ilija Radulovic, lawyer and SPO leader: "The SPO Being Put to the Test"]

[Text] With her statements that the Muslims are threatened in Gacko because their Serbian neighbors are driving them out and killing them and that Phillippe Morillon is the only knight in shining armor in this war and similar statements (on two programs of Independent TV Studio B), Danica Draskovic, director of Srpska Rec and a member of the Main Committee of the Serbian Renewal Movement [SPO], took a great political risk. An avalanche of stormy reactions from TV viewers ensued, and, still more important, there was a challenge by members of the SPO. The largest opposition party, which in its recent convention did not recover from the expected/unexpected December defeat, has thus experienced a sudden blow, and Danica Draskovic, whose devotion to the party cause has never been questioned and which only six weeks ago, in the election of members to the Main Committee, received the largest number of votes after Mr. Pavle Aksentijevic, has "several opstina committees of the SPO" demanding her expulsion from the Main Committee. In this connection, just before his departure for Paris, Vuk Draskovic scheduled an extraordinary meeting of the Main Committee for 30 April.

The role of Danica Draskovic in the movement and her influence on Vuk evoked resistance from some of the members even earlier. They will respond to the reproach that this is male chauvinism by saying that they are not against women independently involved in politics, but that Mrs. Draskovic entered politics not as an independent individual, but as the wife of Vuk Draskovic, and should therefore have a different position.

It is obvious, then, that it is not just a question of the SPO propensity for stormy reaction, but of essential differences in the way the national cause is perceived. There have been certain hints that there will be a serious split in the party over this. In any case, the meeting of the Main Committee will be a stormy one, because, as we have learned unofficially, these statements by Mrs. Draskovic are opposed even by certain people in the very top leadership of the SPO—Mladen Markov, for example.

We were not able to find Mr. Markov, and in the SPO Presidium headquarters they were unable (?) to tell us which opstina committees were dissatisfied.

### Nothing Spectacular

One of them is certainly the Kovina Opstina Committee. However, we learned from Bosko Calovic, chairman of the Local Committee of the SPO, that that opstina actually does not have a legally elected party leadership.

The public has been betrayed. The demand that Danica Draskovic be removed, supposedly before the Kovina Opstina Committee of the SPO, was sent by Rusomir Jeftovic, who was only acting president at the time of the election for the convention. We still have not elected a new president, and there have been no discussions on that topic. The meeting will be held only this evening (on Tuesday), and I will demand that those who speak out in that way in our name be expelled from the SPO. I personally, just like 90 percent of those with whom I have talked, support the statement of Danica Draskovic. We are not forbidding anyone from going to war. Whoever wants to, let him go, there is Bubanj Potok, where arms are being distributed just for the asking. But everything must be resolved, as Vuk has been constantly saying, and it is the only possible way—through negotiations.

We asked Mr. Ilija Radulovic, a lawyer from Sabac, a member of the Main Committee of the SPO and a member of the Presidium of DEPOS [Democratic Movement of Serbia], for a more extensive comment on this case and about other important questions in the SPO. Mr. Radulovic was until recently vice president of the SPO for law and ethics, and he is a member of the crown's Political Council. Born in Boka Kotorska, his father was a protostavrofor in the Orthodox church. He has been a judge in the Tuzla District Court, the good guy in the famous "tape recorder affair": He refused to accept a secretly recorded tape as relevant evidence in a court case. As a judge in the ideological state, then, he was acting according to the rules of the law-governed state and came to be mentioned by the world's lawyers. He also figured as a judge (by the same name) in a novel by Vuk Draskovic.

"Mrs. Danica Draskovic's statement can be viewed from the standpoint of day-to-day politics and the historical standpoint. It is obvious that from the standpoint of day-to-day politics she evoked the kind of reaction she did. However, from the historic standpoint I think that this is one of the most important and valuable statements since the very existence of the Serbian Renewal

Movement. We will nevertheless have to see over the next five or 10 years, and it would be good if the time were shorter, what is left of the work we have done over these last three years. This statement saves the honor of the Serbian people, and I am absolutely behind what Mrs. Danica Draskovic said, because we nevertheless cannot reduce our work just to the coordinates of one day. When the government in Serbia changes, this will have been a statement to be highlighted in the performance of the SPO."

Because of ethnic homogenization, because of the daily production of a megaton of "hatred on the TV screens," people actually do not know what is happening. Danica Draskovic, according to Ilija Radulovic, wanted to say that the "war in Croatia and Bosnia and Herzegovina is not a war for an objective, is not a war to protect Serbian national interests, the Serbs outside Serbia, or the Serbs in Serbia, but this is a war for power, a war which is actually strengthening power here."

**Vuk's Adrenalin**

Asked what he expects will happen in the upcoming extraordinary meeting of the Main Committee, Mr. Radulovic replied: "Nothing spectacular." At the same time, one of the reasons he gave was the prestige of Vuk Draskovic, who is an "honest man, he has an embarrassing goodness of a man who is not in conflict."

"One of the basic shortcomings of our party on the one hand and one of its basic virtues on the other, this is all a paradox, is that charisma of Vuk Draskovic. Without it, the SPO would not be what it is when it comes to the size of its membership, but again with it you can hardly form a modern party that will quietly and calmly do its work away from the noise of the street and enrich itself thanks to programs which represent precisely the content of a political alternative."

And who will be on the other side?

"In a movement like the SPO, you have factions by the nature of things. The Hungarian renewal movement, now the leading Democratic Forum, officially has three factions. And we continue to have that fear of a Trotskyite faction, and that is our idea of something pejorative and destructive. Actually, it is normal, if we have proclaimed Karadjordje, Saint Sava, and Njegos to be our honorary presidents, for us to have people of differing bent. For instance, I have nothing of what it would take to be a member of some Karadjordje faction. I preclude any militance in myself. I am closer to that Njegos orientation, but not in the sense of 'What will be, will be.' That would be the case if this war were really a war for an objective, not for power. But you have people, say, who collide seriously, who think differently even in the top leadership of the party in connection with nationality policy."

Does he expect the party to split?

"No, no. I think that that will be an occasion to finally have a sincere discussion of the real weaknesses in the party's performance. But in my opinion that will be a good basis for the party's development, the party's progress. The party is not going to split and go to ruin. The party is at the top of its strength, because Vuk is a man liked by everyone, all the vice presidents, present and former."

But it seems they do not like Danica?

"Well, all right, but see here, we are unable to see the forest for the trees. To tell you the truth, I like Danica with all her shortcomings. She has a temperament, an abruptness.... This only proves that she is a typical Montenegrin, a woman from the hills, violent, but she is a good person, sincere and intelligent. She gives Vuk a kind of political adrenalin without which, in my opinion, Vuk would never have climbed as high as he has. There is a question whether he ever would have traveled his trajectory from newsman to novelist. In the final analysis, she has had a constructive effect on his development. And it is true that our public, with its male-oriented upbringing, never sees a place for the public activity of a woman, and I think that that is what has led our members so far astray, if I might put it that way: How about this, Vuk is not making appearances, but his wife is? However, a renewal movement must make progress even here, and even here it should be a standard-bearer in eliminating prejudice."

**The Key in the Lock**

Speaking about the state of mind, about the rule of lies and myths rather than history—history in which in 1883, for example, Dimitrije Katic and Ljubomir Didic, deputies of the Radical Party in the National Assembly, proposed that all literate people in Serbia be slaughtered—on the natural state of affairs that virtue is in the minority and vice in the majority. Mr. Radulovic complained of populism in his own party.

"The populist element, populist thought, won a total victory in our convention on 6 and 7 March. The top leadership of the party, of course, is not of that bent, but the election of vice presidents shows the growing popularity of those who have just been elected, who really have made no further progress in the Serbian mind than a Kalimer, a popularity generated by means of television, to the detriment of the prestige of knowledge, intelligence, and the past service of those who have been vice presidents up to now. I have been fighting so that the members do not become everything. I felt that members should be a necessity, but the following is everything."

Lawyer Radulovic believes that everything is coming apart at the seams, accounts are being rendered, that Matija Beckovic's metaphor about the cigarette butt, unfortunately, holds true, and that this is a moment when the opposition should also begin a reassessment.

"If DEPOS had been born the day the SPO was born, be certain that this government in Serbia would not exist now."

The moment was missed. On the other side, the opposition had chances only up until the moment when the war began.

"When the war began in Croatia, there was a complete marginalization of the opposition, because in the history of politics there has never been a case of a change of government in a country that is actually in a state of war. Even then, we could have put the key in the lock. And there were serious proposals for us to declare a moratorium. After all, as soon as fraternal blood is shed across the Drina, ethnic sentiments are developed to absurdity. And then people react emotionally, irrationally."

Radulovic acknowledges that DEPOS is in a crisis, that for all practical purposes it has fallen apart. "It is ugly, necrophilic if you like, to say that there is a moment at which your chances have been reduced to one in a 1,000." Peace and a joint election campaign of the democratic opposition are a condition for turning the situation around.

**UDBA [State Security Administration] as Destiny (Sudba)**

"I will expound a political heresy," Mr. Radulovic said. "Radovan Karadzic and the Serbs in Bosnia and Herzegovina are actually fighting to create the first Islamic state on the space of the former Yugoslavia! The Americans neither love us nor hate us, from a geopolitical standpoint they are not allowing an Islamic republic to form here. But by their refusal to sign the Serbs want to make an alliance of Serbian states without taking into account that in that way, if they create their state there, and the Croats theirs, then the Muslims will also create theirs. And we again continue some story about the chosen Serbia which Serbian writers have created. This is a lie that we are some chosen people, that we are the people mentioned in the Gospel—we are a pagan people, a godless people. A people who celebrates a patron saint's day in the same way as a son going off to the army.... There is no religious feeling here. And what do we want when we refuse to sign what we have to sign? Better to sign while we are alive than for that to be the signature of a dead and so-called chosen Serbia. I have said several times that at a meeting of the Serbian Assembly in Kragujevac in 1878 Sima Nestorovic said in the debate about whether Serbia with its population of 1.4 million should declare war on Turkey with its 40 million: 'We are not against our brothers. On the contrary. But we are against Serbia going to ruin and still we would not be helping our brothers. That would be the most horrible.' That rationality, that weighing of two evils, is obviously lacking at the present moment."

Nationalism as political thought, Mr. Radulovic says, cannot lead to a democratic state, it can only lead to a totalitarian ideology, a totalitarian state.

"We bring people up here in a spirit of necrophilia, in a spirit of death. Matija Beckovic says that Kosovo is the most expensive Serbian word. And that most expensive Serbian word, you see how it voted, it voted for someone like Arkan! How would the least expensive Serbian word vote? It is sad, you know, we all of us—including the opposition, of course—have in some way taken part in the creation of that myth, in creation of a rule of lies."

In the opinion of Mr. Radulovic, the democratic opposition did not even have an opportunity to be better, because:

"In all the committees, we have people infiltrated from the State Security Service or Seselj, which is exactly the same. They are trying on every occasion to split the party."

## Effects of Tightening of Sanctions Assessed

*93BA0991A Belgrade NIN in Serbo-Croatian 23 Apr 93 p 20*

[Article by Vesna Kostic: "Additional Sanctions: Claustrophobic Principles"]

[Text] A new shock lies ahead for the Yugoslav economy: additional economic sanctions of the UN Security Council. Will this be the drop which the government here will use to introduce ration stamps and declare a state of emergency?

Radoje Kontic, federal prime minister, has in fact suggested something like that. First, he said that the most recent government program is abandoned if the sanctions are tightened, and between the lines he hinted ration stamps as the basis of the system for supply to the public. Then, in a BORBA interview, he broadened the effect of the sanctions to declaration of a state of emergency in the country:

"The possible intensification and broadening of the sanctions could result in the emergency measures envisaged by the Constitution. That would also imply emergency powers of the government so that they can manage physical and financial resources."

The federal government has already tried to get those powers the first time it presented its program in the Federal Assembly. On that occasion, the parliament was offered the so-called intervention law (in strictly confidential form) in which the government foresees that it itself, without the Assembly, would adopt decrees in the domain of credit and monetary policy and would publish them in a secret official gazette (!?). The Socialists and Radicals, as the parliamentary majority itself desirous of unlimited power, did not accept this concept, and the strongest argument here was that the situation does not require a state of emergency. Will this change with the new sanctions? In any case, everything proposed at that time as the "economic program" was later adopted through ordinary amendments to the relevant laws.

It has been noticeable in any case that Radoje Kontic referred in this last public statement of his to emergency powers of the governments (in the plural). Unless this is a typographical error by BORBA, then it is obvious that the federal prime minister is aware that the government cannot even intervene without the republic oligarchies.

What will the most recent sanctions mean for the economy of the FRY?

Globally—nothing new. This economy continues to be closed and isolated from the world, and it will continue to function on claustrophobic principles.

Meanwhile, everything we wish to obtain from abroad will be still more expensive (a higher risk means a higher price), fewer international participants in trade will be ready to do business with us (because of the higher risk), and goods will have a harder and harder time crossing to this side of the Yugoslav border (more severe prohibitions for highway crossing, shipping on the Danube, and approaches to the seacoast). The additional extent to which this will exhaust economic resources here is best demonstrated by the statement of a foreign partner that the Yugoslav economy will be completely destroyed following those sanctions.

It will become almost economically insupportable to maintain the army and brothers in the krajinas. The FRY, according to the most recent federal budget, is setting aside for the army 8 percent of its social product, which is the highest in the last decade (when the army was getting between 4.5 and 5.2 percent of the social product). Supporting the Serbian krajinas in B-H [Bosnia and Herzegovina] and Croatia is costing us, according to that same budget, 20 percent of the social product. Because the new sanctions will undoubtedly reduce production further, the share of these two expenditures in the total wealth (poverty) of society will increase. That will require in turn that they be financed still more from primary note issue, and that means a higher growth of inflation. The alternative to unbridled primary note issue is a further rapid drop in the standard of living of the population. When there is hyperinflation, that trend is somewhat slower and less visible, so it is almost certain that the authorities here will choose precisely that variant.

Douglas Hurd, foreign minister of Great Britain, once said that the sanctions should make it more expensive for the Serbs to wage war until the moment comes when they can no longer make the trade-off of their standard of living for the war to the advantage of the latter. Lord knows where that lower limit is, because they say that many Russians are living even on $10 per month, while Yugoslavs at the moment are surviving on about $40....

Reports are already coming in from the outside world, meanwhile, that the capital of Yugoslav firms and individuals is fleeing from west to east in panic. From Budapest, Vienna, Cyprus, and similar favorite places, our firms and people are transferring their money to Russia, above all to Moscow itself. It is obvious that they are making an assessment and expect that the financial blockade will not be so strict and consistent in the Russian domestic chaos.

Firms like Geneks, Ineks, Energoprojekt, and all other domestic firms abroad are waiting to be shut down. To be sure, from the standpoint of formal law, those are foreign firms, but the origin of their capital is Yugoslav, which makes them subject to the ban on operation under the new sanctions of the United Nations.

Are ration coupons the only answer to the most recent punishment of the world community?

"The question is whether the sanctions will take effect, we still do not know whether the Vance-Owen plan will be signed or not," is the comment of Dr. Nebojsa Savic in answering that question. This is the sixth time that a total blockade has been instituted against us; it is one thing on paper and something else in real life, Savic continues, and he notes that automobiles are being driven even a year after the sanctions were put in place. As for ration coupons, there is no dilemma for him: "Without private initiative it will not be possible to get any job done. Only that sector has shown vitality in the blockade. That is why we should stimulate the private sector to the maximum."

One of the recent and still unfinished research products, according to Dr. Savic, shows that in 1992 almost half of the profit in the Yugoslav economy was created in the private sector, which has a share of only 3 percent in the total labor force and total capital committed in the economy.

Incidentally, so far all the economic programs of the governments here have revolved in the same circle. Is it not time to apply the only one that still has not been tried: a market economy and private ownership? Nothing worse can be adopted than what we already have.

## Problems With Law Limiting Banks' Interest Rates

*93BA0992B Belgrade POLITIKA in Serbo-Croatian 26 Apr 93 p 10*

[Article by Spasenija Vujosevic and box by B. Dumic: "Confusion About Interest Rates"]

[Text] In the horrible chaos of interest rates which prevails in debtor-creditor relations of all kinds, some small order seems to be coming about. On 14 April, after all, certain decisions of our highest monetary authority, the National Bank of Yugoslavia, took effect; their application is supposed to stop the unbridled growth of interest rates on the financial market.

In future, the highest rate of interest which can be applied to any financial transactions through banks will be 74 percent per month. the interest which banks will pay to their customers, including savings depositors, will

amount to no more than 54 percent. Even penalty interest, which will apply to claims come due, but unpaid, will not be able to go higher than 40.8 percent until there is a change in the discount rate of the National Bank of Yugoslavia.

When we add to this that firms are now required to place their available funds exclusively through banks, which, except for paying for goods and services, practically eliminates the possibility of the free disposition of money, perhaps some financial change of direction is really on the horizon.

But this does not mean by a long shot that interest rates will no longer be freely set in the economy, because these are only sublegal acts which apply to banks and financial houses.

**Money Is a Commodity**

Every interest rate which does not keep up with inflation signifies a loss of value of the credit or capital being given to another for use. That is why revaluation coefficients are applied to debts, and that means that they are multiplied by the percentage by which retail prices have risen, and incentive rates are added to this like a spice.

"They seem to have forgotten the Law on Penalty Interest. Penalty interest has always meant the sum of the discount rate of the National Bank of Yugoslavia plus 20 percent, and that means that at the moment it is 40.8 percent," says Olga Gacesa, assistant general director of the Sector for the Monetary System in the National Bank of Yugoslavia.

The most recent restriction on interest rates in the legal financial system is the result of a period of free competition among banks, which came after the period of self-management agreements on interest rates among financial houses and the chaos which resulted from the free conclusion of contracts concerning interest rates.

"Since 14 April, only the prescribed interest rates can be applied to all claims or contractual amounts which have come about since that day. Loans granted earlier will be subject to the interest rate contracted for up to the date of maturity or some change, and after that a new rate is contracted for up to the maximum amount," Gacesa explained.

Money is obviously being guided into official banking channels, through which its use can be monitored, as well as its price when it is loaned to someone.

"However unpopular and undesirable they may be, these measures ought to bring about some order on the financial market, but that will take time. The penalty interest prescribed by the law, for example, has been invoked only in certain disputes between individuals. Whether this provision will revive again does not depend on us alone," Gacesa says.

**Multiple Interest Rates**

"Indescribable chaos prevails in the area of interest rates, and I think that it is not possible to analyze them. It is of interest, however, that even after some 10 days there have been no major reactions to the decision setting a maximum on interest rates. They would be seen first of all in the press, with the advertisements and information the banks and other financial houses provide concerning new interest rates," says Jovan Petrovic, director of the Research Center of the National Bank of Yugoslavia.

In this center, there is a special department that has been in operation more than three years and is supposed to be engaged in analyzing interest rates on the basis of data obtained from banks. That is, all banks which have received a license from the National Bank of Yugoslavia have an obligation to supply it information on interest rates, and that is supposed to be used to evaluate the further trend of interest rates and for the analysis.

Many types of financial services which banks offer and the interest rates which are officially applied have been regularly listed here, but some of them are incredibly small. Anyone who has ever overdrawn his current account, for example, knows very well that the banks apply to that debt a three-digit monthly rate of interest. But no one seems to be able to establish the principle that governs the computation of all that. That is, on the list of all possible interest rates on all possible financial transactions and services, beginning with current accounts and ending with savings and credit, these interest rates do not occur anywhere.

"The banks send us information on interest rates and amounts, and these two figure are divided by one another, and in that way we get some average interest rate, which does not correspond to reality," they say in the National Bank of Yugoslavia.

However, this ought not to worry anyone any longer. It seems that an end has been put to the "pumping up" of interest rates, because all those who engage in the buying and selling of the specific commodity that is most in demand—money—have to fit into the limited interest rates. Nevertheless, it seems that this very fact has caused great concern to many people.

Including those who owe bills to the power company and other bills which have been "fattened" by the revaluation rates. The fact that no one, not even the banks, has ever offered an individual his money back when it was owed to him, "fattened" by the same principle, is actually what should worry everyone. And it should be discussed.

**[Box, p 10]**

**Union Banka: Money in the Street Because of the Low Rate of Interest**

Union Banka began to apply the new lower interest rates from the first day they took effect. The government's intention to help to combat illegal financial transactions by lowering interest rates was welcomed by Dragoljub

Vukosavljevic, president of Union Banka, at the usual press conference held at the end of this week. However, the restrictive interest-rate policy also has its negative effects, he said.

"The question arises of how the banks will manage to maintain their own capital with those interest rates. That is, interest rates are low on interbank loans, down to 74 percent, and therefore all activity on the exchange has come to a halt," Mr. Vukosavljevic noted. The negative effect of all of that is that money, he added, is being siphoned into the street and that this is a reason why the exchange rate of foreign currencies has jumped up once again.

What is more, the most recent measures putting a limit on interest rates, Mr. Vukosavljevic said, have not clearly spelled out the question of penalty interest rates either. "One thing is clear, according to the interpretation we received from the Association of Banks, that they must not be higher than 74 percent."

Union Banka has in any case adjusted all interest rates, including those on personal savings. On dinars in one-month time deposits, the interest is now 38 percent, 48 percent for deposits for three months, and 52 percent for six months. The interest rates on treasury bills for those same intervals are 40, 50, and 54 percent. This bank is offering domicile interest rates on savings deposits of foreign exchange, and if a depositor wants to be paid the dinar equivalent of the foreign currency, he gets another 2-percent commission!

## Serbia

### DSS Not Attending 14 May Assembly Session

*LD1305145993 Belgrade TANJUG Domestic Service in Serbo-Croatian 1412 GMT 13 May 93*

[Excerpt] Belgrade, 13 May (TANJUG)—The Executive Committee of the Democratic Party of Serbia [DSS] today reached a unanimous decision not to attend tomorrow's session of the five Assemblies, DSS press spokesman Milorad Jovanovic said at a news conference today.

"Tomorrow's session, should it take place at all, serves only one purpose: to save the regime of Slobodan Milosevic. The DSS will not take part in it and consequently will not share responsibility for a competely wrong policy, which has lately been at the point of collapse," Jovanovic explained. [passage omitted]

### Resignation of Agriculture Minister Sought

*93BA0987A Belgrade BORBA in Serbo-Croatian 20 Apr 93 p 9*

[Interview with Milomir Babic, people's deputy in the Serbian Assembly and top figure in the Peasants Party, by Branislav Gulan; place and date not given: "Why Deputy Milomir Babic Seeks Resignation of Minister of Agriculture: Food Will Be Only for the Very Rich"]

[Text] *"Republican Minister of Agriculture Jan Kisgeci is most responsible for the situation in which agriculture finds itself. He has been a minister for several years now, in two governments, while we are having the hardest time and the bill for all this is being paid by the people. So in that case, who should be changed—the peasant and the people or the minister? There will continue to be food, but less and less, so that the question is who will be able to buy it. Five years ago we had decent protection, but today there is nothing," says Milomir Babic, a people's deputy in the republican parliament and top figure in the Peasants Party, in an interview with BORBA.*

"Farmers are only getting 'sand thrown in their face,' Babic continues. "For example, in the form of the latest Law on Premiums and Refunds. We had that kind of law last year, but we know how we are living today. Because laws and money are issued retroactively, which has no effect at a time of runaway inflation. The best example of why the minister must go is last year's mandatory purchase of wheat. The only buyer was the state, which today has no wheat, nor is it able to guarantee bread to the people. Thus, these commodity reserves did not perform their role, but they did allow the ministers to trade in the goods that were found there and to grow rich illegally."

[Gulan] The republican government—or this is at least the public depiction—is making the maximum effort to enable farmers to produce enough food for the 10.5 million inhabitants of Yugoslavia and the million refugees. The government is satisfied with itself, but you and the people are not. What comments do you have on this situation?

[Babic] This government too is making mistakes and trying to extend its term in office by keeping basic products under its control. Administration has not brought anyone anything good. This government created the black market, and it probably benefits from it somehow. Because as long as food is not regularly available, it will be available on that market. An example is sugar, the price of which rises 11 times from the factory to the consumer. And because of this sort of business we will have to import sugar this year—and we can produce as much as 700,000 metric tons, which is twice as much as what Yugoslavia needs. We are moving in the direction of becoming Ethiopia, Somalia, and only then will we realize that the government, the republican one, since everything is in its domain, has not brought us anything good, just hunger. Thus, the current conditions for the production of food are a disgrace to the government, to the republic, and to Yugoslavia. Because a farmer today cannot rebuild production based on what was sold last fall.

[Gulan] To what extent have the sanctions contributed to this situation?

[Babic] Things were no better for us even before the sanctions, under this government. The only effect of the sanctions was that there was not enough fuel. Then that was the government's excuse, saying that there was not enough food because of the United Nations, that it had done everything it could but that higher forces stood in the way of abundance. However, that is not the case. The outcry has always been directed at the Federal Government, but the only thing in its domain is monetary policy. Regarding the situation in which we find ourselves, where there is not even enough bread, it is clear that the government is trying to preserve social peace with foreign goods, especially appropriated wheat. Because of all this, I contend that this republican government, including the minister of agriculture, cannot remain and lead the people, who are hungry because of them.

[Gulan] The spring planting on 2.5 million hectares is late. The government contends that with wheat planted on 880,000 hectares, it will nevertheless guarantee enough food?

[Babic] There will be enough food, only for farmers and a small number of people with deep pockets, and this includes the government. I am a farmer, and I maintain that around 600,000 hectares will remain unplanted, and as much as 60 percent of the land will be poorly cultivated, without fertilizer, with seed from one's own attic, and that means a yield of 30 to 50 percent less! Thus, only 15 percent of the land will be properly cultivated, and that is not enough to provide a full load of food for an impoverished nation. That is why I maintain that the poor government measures and the lack of an agrarian policy are worse than the UN sanctions. The government is our greatest natural disaster.

[Gulan] There are no major combines, but there are also no individual farmers. The few combines that remain own 17 percent of the arable land but offer the market more than 50 percent of the total production of food. Do you think that combines remain the greatest evil to agriculture here?

[Babic] Some of them were, and they no longer exist. But those that were created naturally, and not by seizing land from farmers, have remained in place to this day. Such as "Tamis" in Pancevo, PKB in Belgrade, and several others. However, we cannot create hundreds of private farms in Serbia over night when we did not allow that for decades. That is why I maintain that the state and the people need major producers of food. Otherwise, because of the policy that we are pursuing, we have already achieved hunger, because less food of poorer quality is being bought.

Among all the government's sins, mention must be made of the revitalization of the villages, which was only a marketing move by the ruling party. Because if you go to a village you will see that nothing has come of that. Money allegedly provided to the village has been diverted for various machinations. Nothing has been built in the villages, and the livestock reserves have not even been restored.

[Gulan] Still, the government continues to insist that agriculture enjoys priority status?

[Babic] That priority status is not brought anything good to the farmers nor to the people. Take petroleum as an example. We get coupons, but not petroleum. Now, our tractors do not run on coupons. They say in the government that we will be provided enough petroleum, through various channels. That means through smuggling. If we take the situation in which we find ourselves and that we have today, then it can be seen that it is not the fault of the sanctions, at least as far as agriculture is concerned, but rather of poor policy. Is that not adequate reason for the entire government and its minister of agriculture to leave?

## Montenegro

### DPS To Attend 14 May Joint Assembly

*LD1305183093 Belgrade TANJUG Domestic Service in Serbo-Croatian 1550 GMT 13 May 93*

[Excerpt] Podgorica, 13 May (TANJUG)—The initiative on the convocation of a joint session of the assembly deputies of the Federal Republic of Yugoslavia, Montenegro, Serbia, the Serb republic [in Bosnia-Herzegovina], and the republic of Serb Krajina [in Croatia], has been accepted by us in the Democratic Party of Socialists [DPS], as we are consistent in our efforts aimed at finding a reasonable and political resolution to the conflicts and are sincerely loyal in our respect for the Constitution of the Federal Republic of Yugoslavia and the Constitution of Montenegro, DPS Secretary-General Svetozar Marovic said today. [passage omitted]

### Opposition Shuns Session

*LD1305163693 Belgrade TANJUG Domestic Service in Serbo-Croatian 1510 GMT 13 May 93*

[Excerpt] Podgorica, 13 May (TANJUG)—Deputies of the Socialist Party of Montenegro, the Social-Democratic Party of Reformists, and the Liberal Alliance announced today that they will not be taking part in tomorrow's [14 May] joint session of five assemblies in Belgrade. [passage omitted]

### Council To Examine Montenegro Bank Operations

*93BA0991C Belgrade POLITIKA in Serbo-Croatian 24 Apr 93 p 18*

[Article by D. Becirovic: "Take Micko Vukotic's Passport Away So That He Does Not Depart Like Jezda"]

[Text] Podgorica, Apr—The Committee of the Small Business Association of the Economic Chamber of Montenegro, which at one time initiated creation of the Banka Privatne Privrede [Private Sector Bank], today issued the assessment in a meeting that that bank,

instead of promoting the development of private business, had put savings depositors and its founders in mourning and done unprecedented injury to the reputation of the private sector. The members of the committee decided to call upon the competent authorities to take an inventory of all the property of Milorad "Micko" Vukotic, chairman of the Board of Directors and chief executive of the bank of private businessmen, and to take away his passport so that he does not go away like Jezda. Because Vukotic is a deputy of the Liberal Alliance of Montenegro in the Montenegrin Assembly, the committee will call upon the Assembly to put on its agenda everything that has happened in the Banka Privatne Privrede. Because the financial police have already written their first report on the illegalities in that bank, the committee is demanding that all this be presented to the Prosecutor's Office and is seeking establishment of possible criminal responsibility. The committee is also calling upon the authorities to make public the report of the financial police on operation of the Banka Privatne Privrede.

The committee has formed a working group headed by Milenko Todorovic which will ascertain the overall business activity of the Banka Privatne Privrede. The group is to include representatives of the government, the Economic Chamber, the National Bank of Yugoslavia, and shareholders. It is to organize an assembly of the bank as soon as possible to elect an acting manager, because Vukotic should be banned from that position.

The members of the committee, who also include founders of the bank, have said that Milorad Vukotic exercised exclusive control over the money in the bank. He did what he wanted and turned a deaf ear to all demands for formation of any entity of the bank that would guarantee that it operated legally. Thus only once, when it was founded, was a meeting of the bank's assembly held. Later, Bozo Kovac, chairman of the assembly, left it, but this did not bother Vukotic, because the assembly was never even convened, nor were the oversight nor credit committees elected. The charges against Vukotic today are that he made loans to anyone he wanted, that there are no records on expenditure of dinars and foreign exchange, that even the founders do not have any sort of documents, and that money was squandered as Vukotic saw fit.

Nenad Roganovic, a member of the Committee of the Association of Private Businessmen of the Economic Chamber of Montenegro and one of the bank's shareholders, has said that the bank's debt is not 3 or 4 million German marks [DM], but DM300 million.

"If the stamp of the Banka Privatne Privrede were on the contracts of all savings depositors in Yugoslavia, then that bank would be liable to them all. Selling gasoline on sale is only an effort to throw dust into the eyes of the savings depositors. All of this will end up as bad as can be for the savings depositors," Roganovic said.

He proposed that the working group might ascertain how much the various members of the bank's Executive Board received in loans and under what conditions, did they repay them, and who approved those loans? He, one of the bank's shareholders, was not asked. Milenko Todorovic, vice chairman of the bank's Board of Directors, is saying the same thing. He is also accusing Vukotic of spending the depositors' money.

"Now, Vukotic, without me as vice president of the Board of Directors and a man who after Jezdimir Vasiljevic had the largest deposit (8.5 percent), has made a decision to form instead of the Banka Privatne Privrede some joint stock company in order to avoid obligations to depositors," Todorovic said. The competent authorities ought to prevent that.

If the authorities should keep silent about this illegal work, private businessmen will take other steps. Todorovic says that this will be done by unlawful means, and that could signify a boycott of obligations to the government.

## Kosovo

### 'Troop Deployments' Reportedly Continue

*AU1305154793 Tirana Radio Tirana Network in Albanian 1330 GMT 13 May 93*

[Text] ATA reports that during the last 48 hours, Serbian forces have continued to step up their troop deployments in various areas of Kosova. Tanks and vehicles have been observed in Sllatine e Madhe in Fushe Kosova and have entered villages. Large forces and vehicles arrived in the Rahovec area in Sareve yesterday. Meanwhile, special units are constructing fortifications. Military and police patrols, observing and checking passers-by, are stationed at the exit of Rahovec. These Serbian military units have assumed positions on the high ground around the city, thus laying a siege on the city.

In addition to these dangerous military movements, the notorious weapons searches are continuing. Searches have been done in a number of houses in Ivaj, a village in Kacanik, and many citizens were taken away to police stations.

### Albanians Canvass for Recognition in Sweden, U.S.

*AU1405095693 Belgrade BORBA in Serbo-Croatian 10 May 93 p 7*

[Report by M. Antic: "State Is the First Task"]

[Text] Pristina—The recognition of the so-called republic of Kosovo by any international institution, and particularly by any European or American state or government, is the main preoccupation of Kosovo ethnic Albanian diplomacy. In recent days, and even last weekend, everything was given over to that goal, because it became clear to the leaders of the ethnic Albanian secessionist policy that the unrecognized Republic of

Kosovo they have been promoting for years among their fellow-citizens has become a threatening boomerang. Recruiting all their friends abroad, they started the strongest offensive for the recognition of a republic, that has ever been started in the world before, excluding Albania.

Following the sign given by their associates in Sweden, indicating that there is a group of Swedish parliamentary representatives who are ready to raise the issue of the recognition of the republic of Kosovo, Ibrahim Rugova, president of that so-called republic, urgently left for Sweden, and when he came back, he informed the Kosovo public that "a group of Swedish representatives had submitted the proposal to the Parliament to recognize the independency and sovereignty of the republic of Kosovo," and expressed hope that, given all those Swedish talks, Sweden would recognize Kosovo, and also that its representatives would submit the same issue to the United Nations for consideration, as well as to other international institutions. He was particularly satisfied with the agreement made on taking ethnic Albanian refugees into Sweden. However, hardly had he arrived back home, when reality struck back. The Swedish authorities continued to send back all those who ask for political asylum, dodging the fulfillment of their obligations toward Yugoslavia. So it happened that Ljuljaim Keljmendi from Kosovo Polje was sent back from Sweden to Yugoslavia via Macedonia, because he deserted from the Yugoslav Army. Before Keljmendi, hundreds of young Kosovo Albanians who had asked for political asylum or refugee status in that country had also been sent back home, because their explanations had been proven false.

The vehement canvassing for the recognition of the republic of Kosovo continued in the United States last weekend. In front of the White House in Washington, the local branch of the Democratic Alliance of Kosovo, as well as the Albanian-American coalition for peace and freedom in the Balkans, organized on Saturday a protest rally from which a letter containing the official demand for the recognition of Kosovo as an independent and sovereign country, was sent to the White House. In the letter, which was delivered to President Bill Clinton personally, it is demanded that the American Government accept the 10-point peace plan devised by Rugova. The main idea of that plan is to take over Kosovo from Serbia, imposing an international protectorate over it in the first phase, and in the end handing Kosovo over to ethnic Albanians so that they can unite with Albania.

In order to make all these demands more weighty in the eyes of the American President and his administration, some American congressmen and senators were also present at the rally: Alfonse D'Amato, Susan Molinari, Ben Gilman, as well as many other members of the Albanian lobby in the United States. Roland Dumo, the Albanian ambassador in the United States, addressed the crowd, saying among other things that "the republic of Kosovo, together with Albania," was "the factor of stability in the Balkans." All the aforementioned senators and congressmen also addressed the crowd, while Molinari even demanded that several thousand troops be sent to Kosovo.

Rugova ended last week's diplomatic expedition after the recognition of the independence and sovereignty of Kosovo in Tirana, where he and President Sali Berisha issued a collective statement in which they warned that even if the Bosnian conflict was extinguished, there would be no peace in the Balkans or even further, until the Kosovo problem was solved, that is to say, until the Albanians' second state in the Balkans was recognized.

## Sanctions Effect on Kosovo Economy, Firms

*93BA0992C Belgrade POLITIKA in Serbo-Croatian 26 Apr 93 p 13*

[Article by M. Vujovic: "Only the Most Vigorous Survive"]

[Text] Pristina, 25 Apr—No sooner had the Kosmet economy wrenched itself from the hands of the Albanian separatists and to some extent reestablished the disrupted economic flows than the unjust sanctions of the international community ensued and beat to death some of the enterprises that had just taken on a new life. But total collapse, which the Albanian separatists hoped for, did not occur thanks to firms that were less import-dependent and enterprising managers of some of them, even though at least 17,500 workers were sent on mandatory leave.

The successful enterprises which are surviving the sanctions include the Fagar Construction Accessories Factory in Podujevo, Jumko in Kosovo Polje, the Jugoterm Radiator Factory and IBG Battery Factory in Gnjilane, the Kosovka Textile Industry in Pristina, the welded-pipe factory in Urosevac, Balkan in Suva Reka, and others.

### The New Production Programs of the Battery Factories

The IBG Battery Factory in Gnjilane was exporting two-thirds of its products, although even under the sanctions it was marketing some of its products with its partners abroad in the amount of about $10 million a year. The sanctions meant a 50-percent reduction of production on the processing line and a 30-percent reduction on the finishing line. Because there were no opportunities for sales, inventories of finished products in the firm's warehouses amount to about 5 million German marks [DM].

But the liquidity of the firm has been maintained even under those conditions, obligations have been met to suppliers and banks, workers have been receiving some of their pay ahead of schedule because of inflation, and

they have been receiving the remainder on the regular payday. The factory is broadening its assortment and sales in cooperation with its foreign partner, and the other day a program was adopted for the production of alkaline batteries. A contract is also in the signing phase with a partner from Russia concerning transfer of technology, which will make it possible to market batteries on the Russian market.

Slavoljub Vujovic, the factory's director, says that unless the sanctions are tightened, under the present conditions they will manage to market some of their products with foreign customers and trading partners. A contract has been concluded for a value of DM4 million requiring the factory to deliver goods by the end of June; conditions exist for this because the production supplies are sufficient for lively production to the end of the year.

**Rapid Reorientation of Balkan**

The Balkan Rubber-Chemical Industry in Suva Reka, which Albanian workers left in virtual chaos when they quit their jobs, has managed to consolidate and to operate in the black even under the conditions of the sanctions. The factory's success, says director Vekoslav Sosevic, lies in the rapid reorientation and adaptation under the conditions that have come about. A new assortment of conveyor belts and fan belts has been put into production, and large systems such as Elektroprivreda or agriculture will not shut down because they lack belts.

"Since introduction of the temporary measures, the factory has been operating in the black, and this trend has been maintained even under the sanctions. Even though capacity is being utilized at 50 percent, salaries and other obligations are being paid on time. The average salary in March amounted to about 4 million dinars. We have managed to hire 300 returnees, among them a number of refugees, and to distribute 60 housing units," Sosevic says.

If the government of Serbia designates public works, and through them establishes projects for water supply, heating, and irrigation systems, then this is an opportunity for the welded-pipe factory in Urosevac to maintain its present trend in production and services. It is now operating on one shift, and at that pace it is fulfilling contracts with customers, says Bozidar Kotorcevic, the factory's director.

**The Opportunity in Public Works**

He also said that the sanctions are having a particular impact on the work of the ferrous metallurgy complex, and there may also be certain consequences for the operation of the metal-manufacturing industry. That is why the factory is working on projects for adaptation in order to offset the consequences.

Economic isolation allows only the vigorous and enterprising to overcome the difficult situation for doing business, and this presupposes reorientation and adaptation to the new conditions. But time will tell whether bankruptcy is the only solution for the others who have not fitted into the new conditions.